

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

In re:

Peabody Energy Corporation, et al.,

Debtors.<sup>1</sup>

Case No. 16-42529  
CHAPTER 11

(Joint Administration Requested)

Hearing Date and Time:  
TBD

Hearing Location:  
TBD

**APPLICATION OF THE DEBTORS AND DEBTORS IN POSSESSION, PURSUANT TO  
SECTIONS 327(a) AND 1107(b) OF THE BANKRUPTCY CODE, BANKRUPTCY RULE  
2014(a) AND LOCAL BANKRUPTCY RULE 2014(A), FOR AN ORDER  
AUTHORIZING THE DEBTORS AND DEBTORS IN POSSESSION TO RETAIN AND  
EMPLOY FTI CONSULTING, INC. AS FINANCIAL ADVISORS,  
NUNC PRO TUNC TO THE PETITION DATE**

Peabody Energy Corporation ("PEC") and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), hereby move this Court, pursuant to sections 327(a) and 1107(b) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 2014(A) of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the Eastern District of Missouri (the "Local Bankruptcy Rules"), for an order authorizing the Debtors to retain and employ FTI Consulting, Inc. ("FTI") as financial advisors for the Debtors in these chapter 11 cases, nunc pro tunc to the Petition Date, and in accordance with the terms and conditions of the engagement letter dated November

<sup>1</sup>

The Debtors and their employer identification numbers are listed on Schedule 1 attached hereto. The addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

6, 2015 (the "Engagement Letter"),<sup>2</sup> a copy of which is attached hereto as Exhibit B, and in support thereof, respectfully represent as follows:<sup>3</sup>

**Jurisdiction and Venue**

1. This Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Rule 81-9.01(B)(1) of the Local Rules of the United States District Court for the Eastern District of Missouri. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

**Background**

2. On April 13, 2016 (the "Petition Date"), the Debtors commenced their reorganization cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. Debtor PEC is a Delaware corporation headquartered in St. Louis, Missouri. PEC was incorporated in 1998 and became a public company in 2001. Each of the other Debtors is a wholly-owned direct or indirect subsidiary of PEC.

4. PEC is the world's largest private-sector coal company (by volume), with 26 active coal mining operations located in the United States and Australia. The Debtors' domestic mines produce and sell thermal coal, which is primarily purchased by electricity generators. PEC's Australian operations mine both thermal and metallurgical coal, a majority of

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<sup>2</sup> Any references to, or summaries of, the Engagement Letter in this Application are qualified by the express terms of the Engagement Letter, which shall govern if there is any conflict between the Engagement Letter and such summaries or references herein. Additionally, any capitalized terms used in this Application and not otherwise defined herein shall have the meanings given to them in the Engagement Letter.

<sup>3</sup> A copy of the proposed order will be made available on the Debtors' case website at <http://www.kccllc.net/peabody>.

which is exported to international customers. As of December 31, 2015, Debtor PEC and its subsidiaries' property holdings include 6.3 billion tons of proven and probable coal reserves and approximately 500,000 acres of surface property through ownership and lease agreements. In the United States alone, as of December 31, 2015, the Debtors held an estimated 5.5 billion tons of proven and probable coal reserves, and the Debtors generated sales of approximately 180 million tons of coal. In addition to its mining operations, the Debtors market and broker coal from other coal producers across the United States, Australia, Europe and Asia.

5. The Debtors operate in a competitive and highly regulated industry that has experienced strong headwinds and precipitously declining demand and pricing in recent years due to the rise of low priced alternative energy sources – including an abundance of natural gas. Combined with these factors, slowing global economic growth drove a wide range of goods prices lower in 2015 and resulted in the largest broad market decline since 1991. Indeed, demand from electric utilities in the United States alone declined approximately 110 million tons in 2015. These market conditions, in connection with lower realized pricing in the United States and Australia, resulted in a 21.0 million ton decline in the Debtors' and their non-debtor subsidiaries' coal sales during 2015. As a result of these challenges, several large United States coal companies have filed for chapter 11 protection in recent years.

6. A comprehensive description of the Debtors' businesses and operations, capital structure and the events leading to the commencement of these chapter 11 cases can be found in the Declaration of Amy Schwetz, Executive Vice President and Chief Financial Officer of Debtor PEC, in Support of First Day Motions of Debtors and Debtors in Possession (the "First Day Declaration"), which was filed contemporaneously herewith and is incorporated herein by reference.

7. In support of this Application, the Debtors submit the Declaration of Carlin Adrianopoli, a Senior Managing Director at FTI (the "Adrianopoli Declaration"), which is attached hereto as Exhibit A and incorporated by reference.

**Retention of FTI**

8. In consideration of the size and complexity of their businesses, as well as the exigencies of the circumstances, the Debtors have determined that the services offered by FTI will substantially enhance their efforts to maximize the value of their estates. FTI possesses extensive knowledge and expertise in the areas of bankruptcy and financial matters relevant to these chapter 11 cases and is well qualified to serve as the Debtors' financial advisors.

9. In selecting their financial advisors, the Debtors sought advisors with experience in providing similar services in large and complex cases. FTI employs seasoned professionals to assist distressed companies with financial and operational challenges, and FTI regularly assists large and complex businesses similar to the Debtors. Moreover, FTI possesses proven ability to provide counsel to clients in the mining industry based on FTI's in-depth industry knowledge and expertise. FTI has a broad network of relationships with key parties in the mining sector and an experienced team of advisors dedicated to working with clients in the mining sector, including former bankers, lawyers, economists, policymakers, journalists and market researchers. In addition, FTI has a significant presence in Australia, with offices in Brisbane, Gold Coast, Melbourne, Perth and Sydney. FTI's professionals in Australia possess the requisite skills to assist in complex, multi-national restructuring assignments and also have significant mining experience.

10. In addition to FTI's experience providing financial advisory and consulting services to troubled companies, both in and out of court, FTI has developed an in-depth understanding of the Debtors' financial history, business operations, and the industry in which

the Debtors operate. FTI has worked closely with the Debtors' management and other professionals since approximately November 6, 2015, and is well acquainted with the Debtors' operations, debt structure, creditors, business and related matters. Accordingly, FTI has developed significant relevant experience regarding the Debtors that will assist FTI in providing effective and efficient services in these chapter 11 cases.

**Services to be Provided by FTI**

11. Consistent with the terms of the Engagement Letter, the FTI professionals working on this engagement (the "FTI Professionals") are charged with providing financial advisory and consulting services (collectively, the "Services").<sup>4</sup>

12. Among other things, the FTI Professionals have provided, or will provide on a prospective basis upon the Court's approval of this Application, Services in the following categories:

- a. Assistance to the Debtors in preparation of financial related disclosures required by the Court, including the Schedules of Assets and Liabilities, the Statement of Financial Affairs and Monthly Operating Reports;
- b. Assistance to the Debtors with information production and analyses required pursuant to the Debtors' Debtor-In-Possession ("DIP") financing including, but not limited to, preparation for hearings regarding the use of cash collateral and DIP financing and satisfaction of the reporting requirements defined in the final DIP financing agreement;
- c. Assistance in connection with the development and implementation of key employee incentive, key employee retention and other critical employee benefit programs;

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<sup>4</sup> The Services shall not include (i) audit, legal, tax, environmental, accounting, actuarial, employee benefits, insurance advice or similar specialist and other professional services, which are typically outsourced, or (ii) investment banking services, including valuation or securities analysis, as well as advising any party or representing the Debtors on the purchase, sale or exchange of securities or representing the Debtors in securities transactions.

- d. Assistance and advice to the Debtors with respect to the identification of core business assets and the disposition of assets or liquidation of unprofitable operations;
- e. Assistance with the identification of executory contracts and leases and performance of cost/benefit evaluations with respect to the assumption or rejection of each;
- f. Assistance regarding the evaluation of the present level of operations and identification of areas of potential cost savings, including overhead and operating expense reductions and efficiency improvements;
- g. Assistance in the preparation of financial information for the Court and/or for distribution to creditors and other stakeholders including, but not limited to, cash flow projections and budgets, cash receipts and disbursement analysis, detailed account balance reconciliations, analysis of various asset and liability accounts and analysis of proposed transactions for which Court approval is sought;
- h. Attendance at meetings and assistance in discussions with potential investors, banks and other secured lenders, any official committee(s) appointed in these chapter 11 cases, the United States Trustee for the Eastern District of Missouri (the "United States Trustee"), other parties in interest and professionals hired by the same, as requested;
- i. Assistance in developing and implementing strategies with respect to suppliers;
- j. Assistance with developing and delivering communication to key stakeholders, including employees, customers, suppliers and others;
- k. Assistance in the analysis of creditor claims by type, entity and individual claim, including assistance with development of necessary data management tools, as necessary, to track and manage such claims;
- l. Assistance in the preparation of information, analyses and documentation necessary for the confirmation of a plan in these chapter 11 proceedings, including but not limited to development of the disclosure statement and demonstrative liquidation analyses required for confirmation;
- m. Assistance in the evaluation and analysis of avoidance actions, including fraudulent conveyances and preferential transfers;

- n. Assistance with defending or prosecuting litigation strategies along with expert witness testimony on case related issues as required by the Debtors; and
- o. Provision of such other general business consulting or such other assistance as Debtors' management or counsel may deem necessary that are consistent with the role of financial advisors and not duplicative of services provided by other professionals in this proceeding.

**Compensation and Fee Applications**

13. The Debtors and FTI have agreed that FTI shall be paid according to its normal and customary hourly rates and that FTI shall seek reimbursement of reasonable direct expenses.

- a. Hourly Rates. FTI's normal and customary billing rates, which are subject to periodic revision, are as follows:

<u>United States</u>	<u>Per Hour (USD)</u>
Senior Managing Directors	\$800 – 975
Directors / Managing Directors	\$645 – 795
Consultants / Senior Consultants	\$355 – 575
Administrative / Paraprofessionals	\$125 – 250

<u>Australia</u>	<u>Per Hour (USD)</u>
Senior Managing Directors	\$625 – 795
Directors / Managing Directors	\$510 – 700
Consultants / Senior Consultants	\$255 – 540
Administrative / Paraprofessionals	\$145 – 250

- b. Reasonable Direct Expenses. FTI will bill for reasonable and necessary direct expenses that are incurred on the Debtors' behalf during their engagement (the "Reasonable Direct Expenses"). The Reasonable Direct Expenses include reasonable and documented out of pocket expenses that are billed directly to the engagement, such as certain telephone, overnight mail, messenger, travel, meals, accommodations and other expenses specifically related to the engagement and billed at actual cost. Further, if FTI and/or any of its employees are required to testify or provide evidence at or in connection with any judicial or administrative proceeding relating to this matter, FTI will be compensated by the Debtors at its regular hourly rates and reimbursed for reasonable allocated and direct expenses (including reasonable attorney's fees) with respect thereto.

- c. Cash on Account. Prepetition, FTI received a retainer of \$500,000. In the final days leading up to the Debtors' initial filings in these chapter 11 cases, FTI issued a final estimated bill covering the fees and expenses expected to be incurred through the period ending as of filing of the petition. FTI will reconcile the actual fees and expenses against the estimated payments as soon as practicable and any overage or underage for the period immediately preceding the petition will be added or subtracted from the original retainer amount. FTI will then inform the Court as to this final prepetition retainer amount (the "Cash on Account").
- d. FTI Employees. The Debtors agree to promptly notify FTI if the Debtors or any of their subsidiaries or affiliates extend (or solicit the possible interest in receiving) an offer of employment to a principal or employee of FTI involved in this engagement and agree that FTI has earned and is entitled to a cash fee, upon hiring, equal to 150% of the aggregate first year's annualized compensation, including any guaranteed or target bonus, to be paid to FTI's former principal or employee that the Debtors or any of their subsidiaries or affiliates hire at any time up to one year subsequent to the date of the final invoice rendered by FTI with respect to its engagement by the Debtors.

14. FTI will maintain detailed, contemporaneous time records in six-minute intervals and apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and any additional procedures that may be established by the Court in these chapter 11 cases.

#### **Indemnification Provisions**

15. As a material part of the consideration for which FTI has agreed to provide the Services described herein, the Debtors have agreed to the indemnification provisions in Section 6 of the Standard Terms and Conditions attached to the Engagement Letter (the "Indemnification Provisions"). The Indemnification Provisions provide that the Debtors will indemnify and hold harmless FTI and any of its subsidiaries and affiliates, officers, directors, principals, shareholders, agents, independent contractors and employees

(collectively, "Indemnified Persons") from and against any and all claims, liabilities, damages, obligations, costs and expenses (including reasonable and documented attorneys' fees and expenses and costs of investigation) except to the extent that any such claim, liability, damage, obligation, cost or expense results from the gross negligence, bad faith or willful misconduct of the Indemnified Person or Persons. All requests of FTI for the payment of indemnity pursuant to the Indemnification Provisions will be made by means of an application to, and shall be subject to review by, the Court to ensure that payment of such indemnity (a) conforms to the terms of the Engagement Letter and (b) is reasonable based upon the circumstances.

16. The Debtors and FTI believe that the Indemnification Provisions are customary and reasonable for firms providing financial advisory services.

17. Moreover, the terms and conditions of the Indemnification Provisions were negotiated by the Debtors and FTI at arm's length and in good faith. The provisions contained in the Engagement Letter, viewed in conjunction with the other terms of FTI's proposed retention, are reasonable and in the best interests of the Debtors, their estates, and creditors in light of the fact that the Debtors require FTI's services to execute on their chapter 11 restructuring in as efficient and expeditious manner as possible. Accordingly, as part of this Application, the Debtors request that this Court approve the Indemnification Provisions as set forth in the Engagement Letter.

#### **Payments Prior to the Petition Date**

18. As noted above, FTI has provided prepetition services to the Debtors. During the one-year period prior to the commencement of these chapter 11 cases, FTI has received \$6,628,665.19 from the Debtors in relation to professional fees, charges and disbursements incurred prior to the Petition Date (which amount includes a retainer of \$500,000). During the 90-day period prior to commencement of these chapter 11 cases, FTI has received

\$5,676,978.67 from the Debtors in relation to professional fees, charges and disbursements incurred prior to the Petition Date.

19. Further, as noted above, FTI received a prepetition retainer of \$500,000. FTI's final prepetition bill was for an estimated amount of fees and expenses. FTI will reconcile the actual prepetition amounts due and the estimated payments received as soon as practicable and any overage or underage related to this final bill will be added or subtracted from the original retainer amount.

20. Other than as set forth herein or in the Engagement Letter, there is no proposed arrangement between the Debtors and FTI for compensation to be paid in these chapter 11 cases.

21. FTI is not a creditor of the Debtors' estates, and has been fully paid by the Debtors for all prepetition services rendered by FTI to the Debtors.

#### **FTI's Disinterestedness**

22. The Adrianopoli Declaration, incorporated herein by reference, discloses FTI's connections to the Debtors and parties in interest in these cases. In reliance on the Adrianopoli Declaration, and except as set forth therein, to the best of the Debtors' knowledge, information and belief, FTI: (a) has no connection with the Debtors, its creditors or other parties in interest in this case; (b) does not hold or represent any interest adverse to the Debtors' estates; and (c) is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code.

23. FTI will conduct an ongoing review of its files to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new material facts or relationships are discovered or arise, FTI will supplement its disclosure to the Court.

24. FTI has agreed not to share with any person or firm the compensation to be paid for professional services rendered in connection with these cases.

**Efforts to Avoid Duplication of Services**

25. The Debtors and FTI intend that all of the services that FTI will provide to the Debtors will be appropriately directed by the Debtors so as to avoid duplication of efforts among the other professionals proposed to be retained in these chapter 11 cases and performed in accordance with applicable standards of the profession. FTI will work collaboratively with the Debtors' senior management team, board of directors and other professionals to avoid duplication of services among professionals. The Debtors believe that the services to be provided by FTI will complement and will not be duplicative of any services of the Debtors' other professionals, including any services provided by the Debtors' proposed investment banker, Lazard Frères & Co. LLC.

**Argument**

26. The Debtors seek authority to employ and retain FTI as their financial advisors pursuant to section 327 of the Bankruptcy Code, which provides that a debtor is authorized to employ professional persons "that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the [Debtor] in carrying out the [Debtor's] duties under this title." 11 U.S.C. § 327(a).<sup>5</sup> Section 1107(b) of the Bankruptcy Code

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<sup>5</sup> Section 101(14) of the Bankruptcy Code defines the phrase "disinterested person" as:  
a person that —

- (A) is not a creditor, an equity security holder, or an insider;
- (B) is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the debtor; and
- (C) does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or

elaborates upon sections 101(14) and 327(a) of the Bankruptcy Code in cases under chapter 11 of the Bankruptcy Code and provides that "a person is not disqualified for employment under section 327 of [the Bankruptcy Code] by a debtor in possession solely because of such person's employment by or representation of the debtor before the commencement of the case." 11 U.S.C. § 1107(b).

27. The retention of FTI to provide the Services set forth in the Engagement Letter will enable the Debtors to most efficiently administer these chapter 11 cases, address issues arising in chapter 11 and preserve and maximize the value of the estates. The Debtors require the assistance of qualified and experienced personnel to assist in these matters. Thus, the Debtors believe that it would be in their best interest and in the best interests of their estates, creditors and other parties-in-interest for the Court to grant the relief requested herein, with such relief being deemed effective nunc pro tunc to the Petition Date.

28. The Debtors submit that the terms of the Engagement Letter, including the hourly compensation and Indemnification Provisions are fair and reasonable in light of the type of services being provided and that the hourly compensation terms are comparable to those generally charged by firms of similar stature to FTI for comparable engagements. In addition, as noted above, FTI is "disinterested" and all of its fees and expenses are subject to approval of the Court in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and further orders of this Court.

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indirect relationship to, connection with, or interest in, the debtor, or for any other reason.

11 U.S.C. § 101(14).

29. As required by Bankruptcy Rule 2014(a)<sup>6</sup> and Local Bankruptcy Rule 2014(A),<sup>7</sup> the above-described facts set forth in the Application and the information in the Exhibits attached hereto set forth: (a) the specific facts showing the necessity for FTI's employment; (b) the reasons for the Debtors' selection of FTI as their financial advisors in connection with these chapter 11 cases; (c) the professional services proposed to be provided by FTI; (d) the arrangement between the Debtors and FTI with respect to FTI's compensation, including information on retainers and hourly fees and the reasonableness thereof; and (e) to the best of the Debtors' knowledge, the extent of FTI's connections, if any, to certain parties in interest in these matters. Accordingly, FTI's retention by the Debtors should be approved.

**Notice**

30. Notice of this Application has been given to: (a) Davis Polk & Wardwell LLP and Bryan Cave LLP as counsel to Citibank, N.A. as Administrative Agent for the First Lien Secured Credit Facility and the Debtors' proposed debtor in possession secured credit facility; (b) Brown Rudnick LLP, as counsel to Wilmington Savings Fund Society, FSB as

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<sup>6</sup> Bankruptcy Rule 2014(a) provides that an application seeking the employment of professional persons pursuant to section 327 of the Bankruptcy Code:

shall state the specific facts showing the necessity for the employment, the name of the person to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the person's connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee. The application shall be accompanied by a verified statement of the person to be employed setting forth the person's connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

Fed. R. Bankr. P. 2014(a).

<sup>7</sup> Local Bankruptcy Rule 2014(A) requires a party seeking an order authorizing its retention in a chapter 11 case to meet the requirements of Bankruptcy Rule 2014. The application must disclose any prepetition retainer arrangement and shall be served on: (a) all entities filing a request for notice; (b) other counsel of record; (c) the case trustee; (d) the United States Trustee; and (e) any committees. Local R. Bankr. P. 2014(A).

prospective trustee and collateral agent for the Secured Second Lien Notes; (c) Foley & Lardner LLP, as counsel to Wilmington Trust Company as prospective Indenture Trustee for the Unsecured Notes;<sup>8</sup> (d) Robinson & Cole LLP, as counsel to U.S. Bank as resigning trustee and collateral agent for the Second Lien Notes, the Unsecured Notes and the Convertible Notes;<sup>9</sup> (e) counsel to any ad hoc committees; (f) the Debtors' 50 largest unsecured creditors; (g) Mayer Brown LLP, as counsel to PNC Bank, N.A., as Administrator under the Debtors' prepetition accounts receivable securitization facility; (h) the United Mine Workers of America; (i) the Office of the United States Trustee for the Eastern District of Missouri; (j) the Internal Revenue Service; (k) the Securities and Exchange Commission; (l) the United States Department of the Interior; (m) the United States Department of Labor; (n) the United States Attorney's Office for the Eastern District of Missouri; and (o) Pension Benefit Guaranty Corporation (collectively, the "Notice Parties"). In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

**No Prior Request**

31. No prior request for the relief sought in this Application has been made to this or any other Court in connection with these chapter 11 cases.

WHEREFORE, the Debtors respectfully request that the Court: (i) enter an order, substantially in the form submitted to the Court, granting the relief requested herein; and (ii) grant such other and further relief to the Debtors as the Court may deem just and proper.

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<sup>8</sup> These include the: (i) 6.00% Senior Notes due November 2018; (ii) 6.50% Senior Notes due September 2020; (iii) 6.25% Senior Notes due September 2021; and the (iv) 7.875% Senior Notes due November 2026.

<sup>9</sup> These include the: (i) 6.00% Senior Notes due November 2018; (ii) 6.50% Senior Notes due September 2020; (iii) 6.25% Senior Notes due September 2021; (iv) 7.875% Senior Notes due November 2026; and the (v) Convertible Junior Subordinated Debentures due December 2066.

Dated: April 13, 2016  
St. Louis, Missouri

Respectfully submitted,  
Peabody Energy Corporation, et al  
Debtors and Debtors in Possession

/s/ Amy Schwetz

Amy Schwetz  
Executive Vice President and  
Chief Financial Officer  
Peabody Energy Corporation

Filed by:

/s/ Steven N. Cousins

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*Proposed Attorneys for Debtors  
and Debtors in Possession*

**SCHEDEULE 1**

	<b>Debtor's Name</b>	<b>Debtor's EIN Number</b>
1.	Peabody Energy Corporation	13-4004153
2.	American Land Development, LLC	20-3405570
3.	American Land Holdings of Colorado, LLC	26-3730572
4.	American Land Holdings of Illinois, LLC	30-0440127
5.	American Land Holdings of Indiana, LLC	20-2514299
6.	American Land Holdings of Kentucky, LLC	20-0766113
7.	American Land Holdings of New Mexico, LLC	32-0478983
8.	American Land Holdings of West Virginia, LLC	20-5744666
9.	Arid Operations, Inc.	84-1199578
10.	Big Ridge, Inc.	37-1126950
11.	Big Sky Coal Company	81-0476071
12.	Black Hills Mining Company, LLC	32-0049741
13.	BTU Western Resources, Inc.	20-1019486
14.	Caballo Grande, LLC	27-1773243
15.	Caseyville Dock Company, LLC	20-8080107
16.	Central States Coal Reserves of Illinois, LLC	43-1869432
17.	Central States Coal Reserves of Indiana, LLC	20-3960696
18.	Century Mineral Resources, Inc.	36-3925555
19.	Coal Reserve Holding Limited Liability Company No. 1	43-1922737
20.	COALSALES II, LLC	43-1610419
21.	Colorado Yampa Coal Company, LLC	95-3761211
22.	Conservancy Resources, LLC	20-5744701
23.	Cottonwood Land Company	43-1721982
24.	Cyprus Creek Land Company	73-1625890
25.	Cyprus Creek Land Resources LLC	75-3058264
26.	Dyson Creek Coal Company, LLC	43-1898526
27.	Dyson Creek Mining Company, LLC	20-8080062
28.	El Segundo Coal Company, LLC	20-8162824
29.	Empire Land Holdings, LLC	61-1742786
30.	Falcon Coal Company, LLC	35-2006760
31.	Four Star Holdings, LLC	30-0885825
32.	Francisco Equipment Company, LLC	37-1805119
33.	Francisco Land Holdings Company, LLC	36-4831111
34.	Francisco Mining, LLC	30-0922117
35.	Gallo Finance Company, LLC	43-1823616
36.	Gold Fields Chile, LLC	13-3004607
37.	Gold Fields Mining, LLC	36-2079582
38.	Gold Fields Ortiz, LLC	22-2204381
39.	Hayden Gulch Terminal, LLC	86-0719481
40.	Highwall Mining Services Company	20-0010659
41.	Hillside Recreational Lands, LLC	32-0214135
42.	HMC Mining, LLC	43-1875853
43.	Illinois Land Holdings, LLC	26-1865197
44.	Independence Material Handling, LLC	43-1750064
45.	James River Coal Terminal, LLC	55-0643770
46.	Juniper Coal Company, LLC	43-1744675
47.	Kayenta Mobile Home Park, Inc.	86-0773596
48.	Kentucky Syngas, LLC	26-1156957
49.	Kentucky United Coal, LLC	35-2088769
50.	Lively Grove Energy, LLC	20-5752800
51.	Lively Grove Energy Partners, LLC	26-0180403
52.	Marigold Electricity, LLC	26-0180352
53.	Midco Supply and Equipment Corporation	43-6042249
54.	Midwest Coal Acquisition Corp.	20-0217640
55.	Midwest Coal Reserves of Illinois, LLC	20-3960648

	<b>Debtor's Name</b>	<b>Debtor's EIN Number</b>
56.	Midwest Coal Reserves of Indiana, LLC	20-3405958
57.	Midwest Coal Reserves of Kentucky, LLC	20-3405872
58.	Moffat County Mining, LLC	74-1869420
59.	Mustang Energy Company, LLC	43-1898532
60.	New Mexico Coal Resources, LLC	20-3405643
61.	NM Equipment Company, LLC	36-4821991
62.	Pacific Export Resources, LLC	27-5135144
63.	Peabody America, LLC	93-1116066
64.	Peabody Archveyor, L.L.C.	43-1898535
65.	Peabody Arclar Mining, LLC	31-1566354
66.	Peabody Asset Holdings, LLC	20-3367333
67.	Peabody Bear Run Mining, LLC	26-3582291
68.	Peabody Bear Run Services, LLC	26-3725923
69.	Peabody Caballo Mining, LLC	83-0309633
70.	Peabody Cardinal Gasification, LLC	20-5047955
71.	Peabody China, LLC	43-1898525
72.	Peabody Coalsales, LLC	20-1759740
73.	Peabody COALTRADE International (CTI), LLC	20-1435716
74.	Peabody COALTRADE, LLC	43-1666743
75.	Peabody Colorado Operations, LLC	20-2561644
76.	Peabody Colorado Services, LLC	26-3723774
77.	Peabody Coulterville Mining, LLC	20-0217834
78.	Peabody Development Company, LLC	43-1265557
79.	Peabody Electricity, LLC	20-3405744
80.	Peabody Employment Services, LLC	26-3730348
81.	Peabody Energy Generation Holding Company	73-1625891
82.	Peabody Energy Investments, Inc.	68-0541702
83.	Peabody Energy Solutions, Inc.	43-1753832
84.	Peabody Gateway North Mining, LLC	27-2294407
85.	Peabody Gateway Services, LLC	26-3724075
86.	Peabody Holding Company, LLC	74-2666822
87.	Peabody Holdings (Gibraltar) Limited	20-5543587
88.	Peabody IC Funding Corporation	46-2326991
89.	Peabody IC Holdings, LLC	30-0829603
90.	Peabody Illinois Services, LLC	26-3722638
91.	Peabody Indiana Services, LLC	26-3724339
92.	Peabody International Investments, Inc.	26-1361182
93.	Peabody International Services, Inc.	20-8340434
94.	Peabody Investments Corp.	20-0480084
95.	Peabody Magnolia Grove Holdings, LLC	61-1683376
96.	Peabody Midwest Management Services, LLC	26-3726045
97.	Peabody Midwest Mining, LLC	35-1799736
98.	Peabody Midwest Operations, LLC	20-3405619
99.	Peabody Midwest Services, LLC	26-3722194
100.	Peabody Mongolia, LLC	20-8714315
101.	Peabody Natural Gas, LLC	43-1890836
102.	Peabody Natural Resources Company	51-0332232
103.	Peabody New Mexico Services, LLC	20-8162939
104.	Peabody Operations Holding, LLC	26-3723890
105.	Peabody Powder River Mining, LLC	43-0996010
106.	Peabody Powder River Operations, LLC	20-3405797
107.	Peabody Powder River Services, LLC	26-3725850
108.	Peabody PowerTree Investments, LLC	20-0116980
109.	Peabody Recreational Lands, L.L.C.	43-1898382
110.	Peabody Rocky Mountain Management Services, LLC	26-3725390
111.	Peabody Rocky Mountain Services, LLC	20-8162706
112.	Peabody Sage Creek Mining, LLC	26-3730653
113.	Peabody School Creek Mining, LLC	20-3585831

	<b>Debtor's Name</b>	<b>Debtor's EIN Number</b>
114.	Peabody Services Holdings, LLC	26-3726126
115.	Peabody Southwest, LLC	20-5744732
116.	Peabody Southwestern Coal Company, LLC	43-1898372
117.	Peabody Terminal Holding Company, LLC	26-1087861
118.	Peabody Terminals, LLC	31-1035824
119.	Peabody Trout Creek Reservoir LLC	30-0746873
120.	Peabody Twentymile Mining, LLC	26-3725223
121.	Peabody Venezuela Coal Corp.	43-1609813
122.	Peabody Venture Fund, LLC	20-3405779
123.	Peabody-Waterside Development, L.L.C.	75-3098342
124.	Peabody Western Coal Company	86-0766626
125.	Peabody Wild Boar Mining, LLC	26-3730759
126.	Peabody Wild Boar Services, LLC	26-3725591
127.	Peabody Williams Fork Mining, LLC	20-8162742
128.	Peabody Wyoming Gas, LLC	20-5744610
129.	Peabody Wyoming Services, LLC	26-3723011
130.	PEC Equipment Company, LLC	20-0217950
131.	PG INVESTMENTS SIX, L.L.C.	43-1898530
132.	Point Pleasant Dock Company, LLC	20-0117005
133.	Pond River Land Company	73-1625893
134.	Porcupine Production, LLC	43-1898379
135.	Porcupine Transportation, LLC	43-1898380
136.	Riverview Terminal Company	13-2899722
137.	Sage Creek Holdings, LLC	26-3286872
138.	Sage Creek Land & Reserves, LLC	38-3936826
139.	School Creek Coal Resources, LLC	20-2902073
140.	Seneca Coal Company, LLC	84-1273892
141.	Seneca Property, LLC	36-4820253
142.	Shoshone Coal Corporation	25-1336898
143.	Southwest Coal Holdings, LLC	37-1794829
144.	Star Lake Energy Company, L.L.C.	43-1898533
145.	Sugar Camp Properties, LLC	35-2130006
146.	Thoroughbred Generating Company, L.L.C.	43-1898534
147.	Thoroughbred Mining Company LLC.	73-1625889
148.	Twentymile Coal, LLC	95-3811846
149.	Twentymile Equipment Company, LLC	38-3982017
150.	Twentymile Holdings, LLC	38-3937156
151.	United Minerals Company, LLC	35-1922432
152.	West Roundup Resources, LLC	20-2561489
153.	Wild Boar Equipment Company, LLC	32-0488114
154.	Wild Boar Land Holdings Company, LLC	36-4831131

**Exhibit A**

**Adrianopoli Declaration**

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION**

In re:

Peabody Energy Corporation, et al.,

Debtors.

Case No. 16-42529  
CHAPTER 11

(Joint Administration Requested)

Hearing Date and Time:  
TBD

Hearing Location:  
TBD

**DECLARATION OF CARLIN ADRIANOPOLI IN SUPPORT OF APPLICATION OF  
THE DEBTORS AND DEBTORS IN POSSESSION, PURSUANT TO  
SECTIONS 327(a) AND 1107(b) OF THE BANKRUPTCY  
CODE, BANKRUPTCY RULE 2014(a) AND LOCAL BANKRUPTCY  
RULE 2014(A), FOR AN ORDER AUTHORIZING THE DEBTORS AND DEBTORS IN  
POSSESSION TO RETAIN AND EMPLOY FTI CONSULTING, INC. AS FINANCIAL  
ADVISORS, NUNC PRO TUNC TO THE PETITION DATE**

I, Carlin Adrianopoli, under penalty of perjury, declare as follows:

1. I am a Senior Managing Director with FTI Consulting, Inc. (together with its wholly owned subsidiaries, agents, independent contractors and employees "FTI"), a financial advisory services firm with numerous offices throughout the country. I submit this Declaration on behalf of FTI in support of the application (the "Application") of the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors") for an order authorizing the employment and retention of FTI as financial advisors under the terms and conditions set forth in the Application. Except as otherwise noted, I have personal knowledge of

the matters set forth herein.<sup>1</sup> If called and sworn as a witness, I could and would testify competently to the facts in this Declaration.

**No Conflicts of Interest**

2. In connection with the preparation of this Declaration, FTI conducted a review of its contacts with the Debtors, their affiliates and certain entities holding large claims against or interests in the Debtors that were made reasonably known to FTI. A listing of the parties reviewed is reflected on Schedule 1 to this Declaration. FTI's review, completed under my supervision, consisted of searching the Schedule 1 parties in an internal computer database containing names of individuals and entities that are present or recent former clients of FTI. A summary of such relationships that FTI identified during this process is set forth on Schedule 2 to this Declaration.

3. Based on the results of its review, except as otherwise discussed herein, FTI does not have a relationship with any of the parties on Schedule 1 in matters related to these cases. FTI has provided and could reasonably be expected to continue to provide services unrelated to the Debtors' cases for the various entities shown on Schedule 2. FTI's assistance to these parties has been related to providing various financial restructuring, litigation support and/or engineering, scientific investigation or other consulting services. To the best of my knowledge, no services have been provided to these parties in interest which involve their rights in the Debtors' cases, nor does FTI's involvement in this case compromise its ability to continue such consulting services.

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<sup>1</sup> Certain of the disclosures herein relate to matters within the personal knowledge of other professionals at FTI and are based on information provided by them.

4. Further, as part of its diverse practice, FTI appears in numerous cases, proceedings and transactions that involve many different professionals, including attorneys, accountants and financial consultants, who may represent claimants and parties-in-interest in the Debtors' chapter 11 cases. Also, FTI has performed in the past, and may perform in the future, advisory consulting services for various attorneys and law firms, and has been represented by several attorneys and law firms, some of whom may be involved in these cases. In addition, FTI has in the past, may currently and will likely in the future be working with or against other professionals involved in these cases in matters unrelated to the Debtors and these cases. Based on our current knowledge of the professionals involved, and to the best of my knowledge, none of these relationships create interests materially adverse to the Debtors in matters upon which FTI is to be employed, and none are in connection with these cases.

5. FTI does not believe it is a "Creditor" with respect to fees and expenses of any of the Debtors within the meaning of Section 101(10) of the Bankruptcy Code. Further, neither I nor any other member of the FTI engagement team serving the Debtors, to the best of my knowledge, is a holder of any outstanding debt instruments or shares of the Debtors' stock.

6. FTI has reviewed the relationship that the members of the FTI engagement team may have against the publicly-available list of employees within the United States Trustee's office in this District.

7. As such, to the best of my knowledge, FTI is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that FTI:

- a. is not a creditor, equity security holder or insider of the Debtors;
- b. is not and was not an investment banker for any outstanding security of the Debtors;

- c. has not been, within three years before the date of the filing of the Debtors' chapter 11 petitions, (i) an investment banker for a security of the Debtors or (ii) an attorney for such an investment banker in connection with the offer, sale or issuance of a security of the Debtors; and
- d. was not, within two years before the date of filing of the Debtors' chapter 11 petitions, a director, officer or employee of the Debtors or of any investment banker as specified in subparagraph (b) or (c) of this paragraph.

In addition, to the best of my knowledge and based upon the results of the relationship search described above and disclosed herein, FTI neither holds nor represents an interest adverse to the Debtors within the meaning of Section 327(a) of the Bankruptcy Code.

8. It is FTI's policy and intent to update and expand its ongoing relationship search for additional parties in interest in an expedient manner. If any new material relevant facts or relationships are discovered or arise, FTI will promptly file a supplemental declaration, pursuant to Bankruptcy Rule 2014(a).

#### Scope of Services

9. Consistent with the terms of the Engagement Letter, FTI is charged with assisting the Debtors with various operational, administrative and financial needs arising in connection with these chapter 11 cases (collectively, the "Services"). More specifically, the Services include, but are not specifically limited to the following:

- a. Assistance to the Debtors in preparation of financial related disclosures required by the Court, including the Schedules of Assets and Liabilities, the Statement of Financial Affairs and Monthly Operating Reports;
- b. Assistance to the Debtors with information production and analyses required pursuant to the Debtors' Debtor-In-Possession ("DIP") financing including, but not limited to, preparation for hearings regarding the use of cash collateral and DIP financing and satisfaction of the reporting requirements defined in the final DIP financing agreement;

- c. Assistance in connection with the development and implementation of key employee incentive, key employee retention and other critical employee benefit programs;
- d. Assistance and advice to the Debtors with respect to the identification of core business assets and the disposition of assets or liquidation of unprofitable operations;
- e. Assistance with the identification of executory contracts and leases and performance of cost/benefit evaluations with respect to the assumption or rejection of each;
- f. Assistance regarding the evaluation of the present level of operations and identification of areas of potential cost savings, including overhead and operating expense reductions and efficiency improvements;
- g. Assistance in the preparation of financial information for the Court and/or for distribution to creditors and other stakeholders including, but not limited to, cash flow projections and budgets, cash receipts and disbursement analysis, detailed account balance reconciliations, analysis of various asset and liability accounts and analysis of proposed transactions for which Court approval is sought;
- h. Attendance at meetings and assistance in discussions with potential investors, banks and other secured lenders, any official committee(s) appointed in these chapter 11 cases, the United States Trustee for the Eastern District of Missouri (the "United States Trustee"), other parties in interest and professionals hired by the same, as requested;
- i. Assistance in developing and implementing strategies with respect to suppliers;
- j. Assistance with developing and delivering communication to key stakeholders, including employees, customers, suppliers and others;
- k. Assistance in the analysis of creditor claims by type, entity and individual claim, including assistance with development of necessary data management tools, as necessary to track and manage such claims;
- l. Assistance in the preparation of information, analyses and documentation necessary for the confirmation of a plan in these chapter 11 proceedings, including but not limited to development of the disclosure statement and demonstrative liquidation analyses required for confirmation;

- m. Assistance in the evaluation and analysis of avoidance actions, including fraudulent conveyances and preferential transfers;
- n. Assistance with defending or prosecuting litigation strategies along with expert witness testimony on case related issues as required by the Debtors; and
- o. Provision of such other general business consulting or such other assistance as Debtors' management or counsel may deem necessary that are consistent with the role of financial advisors and not duplicative of services provided by other professionals in this proceeding.

**Professional Compensation**

10. Subject to this Court's approval of the relief requested in the Application, FTI is willing to provide the Services to the Debtors pursuant to terms as set forth in the Engagement Letter and summarized in the Application. The Debtors propose to pay FTI compensation on the terms set forth in the Engagement Letter and summarized in the Application and to reimburse FTI for reasonable, documented out-of-pocket expenses according to the terms of the Engagement Letter and in accordance with the Application.

11. FTI intends that all of the services that FTI will provide to the Debtors will be appropriately directed so as to avoid duplication of efforts among the other professionals retained in these chapter 11 cases and performed in accordance with applicable standards of the profession. FTI will work collaboratively with the Debtors' senior management team and other professionals to avoid duplication of services among professionals. FTI intends that its services will complement and will not duplicate any services of the Debtors' other professionals, including any services provided by the Debtors' proposed investment banker, Lazard Frères & Co. LLC.

12. According to FTI's books and records, during the 90 day period prior to the Debtors' petition date, FTI received \$5,676,978.67 from the Debtors in relation to

professional services performed and expenses incurred. Further, FTI's current estimate is that it has received unapplied advance payments from the Debtors in excess of pre-petition billings of an amount less than \$500,000. FTI's final prepetition bill was for an estimated amount of fees and expenses. FTI will reconcile the actual prepetition fees and expenses due against the estimated payments made as soon as practicable and any overage or underage related to this final bill will be added or subtracted from the original retainer amount of \$500,000. The Debtors and FTI have agreed that any portion of the excess cash on account not used to compensate FTI for its pre-petition services and expenses will be held and applied against its final post-petition billing and will not be placed in a separate account.

13. To the best of my knowledge, (a) no commitments have been made or received by FTI with respect to compensation or payment in connection with these cases other than in accordance with the provisions of the Bankruptcy Code and (b) FTI has no agreement with any other entity to share with such entity any compensation received by FTI in connection with these chapter 11 cases.

14. FTI is not a creditor of the Debtors' estates, and has been fully paid by the Debtors for all prepetition services rendered by FTI to the Debtors.

15. Other than as set forth herein or in the Engagement Letter, there is no proposed arrangement between the Debtors and FTI for compensation to be paid in these chapter 11 cases.

16. I believe the terms of the Engagement Letter, including the hourly compensation and the Indemnification Provisions are: (a) consistent with and typical of the agreements entered into by FTI and other comparable firms in connection with the rendering of

similar services under similar circumstances; (b) reasonable; and (c) merited by FTI's experience and expertise.

17. FTI will maintain detailed, contemporaneous time records in six-minute intervals and apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and any additional procedures that may be established by the Court in these chapter 11 cases. In addition, FTI understands that interim and final fee awards are subject to approval by this Court.

#### **FTI's Experience**

18. FTI possesses extensive knowledge and expertise in the areas of bankruptcy and financial matters relevant to these chapter 11 cases, and is well qualified to serve as the Debtors' financial advisors. FTI employs seasoned professionals to assist distressed companies with financial and operational challenges, and FTI regularly assists large and complex businesses similar to the Debtors. Moreover, FTI possesses proven ability to provide counsel to clients in the mining industry based on FTI's in-depth industry knowledge and expertise. FTI has a broad network of relationships with key parties in the mining sector and an experienced team of advisors dedicated to working with clients in the mining sector, including former bankers, lawyers, economists, policymakers, journalists and market researchers. In addition, FTI has a significant presence in Australia, with offices in Brisbane, Gold Coast, Melbourne, Perth and Sydney. FTI's professionals in Australia possess the requisite skills to assist in complex, multi-national restructuring assignments and also have significant mining experience.

19. In addition to FTI's experience providing financial advisory and consulting services to troubled companies, both in and out of court, FTI has developed an in-depth understanding of the Debtors' financial history, business operations and the industry in which the

Debtors operate. FTI has worked closely with the Debtors' management and other professionals since approximately November 6, 2015, and is well acquainted with the Debtors' operations, debt structure, creditors, business and related matters. Accordingly, FTI has developed significant relevant experience regarding the Debtors that will assist FTI in providing effective and efficient services in these chapter 11 cases.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 13, 2016  
Chicago, Illinois

/s/ Carlin Adrianopoli  
Carlin Adrianopoli  
Senior Managing Director  
FTI Consulting, Inc.

**Schedule 1**

**Interested Parties**

**Interested Parties**

**Debtors and Debtors' Affiliates**

American Land Development, LLC  
American Land Holdings of Colorado, LLC  
American Land Holdings of Illinois, LLC  
American Land Holdings of Indiana, LLC  
American Land Holdings of Kentucky, LLC  
American Land Holdings of New Mexico, LLC  
American Land Holdings of West Virginia, LLC  
Arid Operations Inc.  
Big Ridge, Inc.  
Big Sky Coal Company  
Black Hills Mining Company, LLC  
BTU Western Resources, Inc.  
Caballo Grande, LLC  
Caseyville Dock Company, LLC  
Central States Coal Reserves of Illinois, LLC  
Central States Coal Reserves of Indiana, LLC  
Century Mineral Resources, Inc.  
Coal Reserve Holding Limited Liability  
    Company No. 1  
COALSALES II, LLC  
Colorado Yampa Coal Company, LLC  
Conservancy Resources, LLC  
Cottonwood Land Company  
Cyprus Creek Land Company  
Cyprus Creek Land Resources, LLC  
Dyson Creek Coal Company, LLC  
Dyson Creek Mining Company, LLC  
El Segundo Coal Company, LLC  
Empire Land Holdings, LLC  
Falcon Coal Company, LLC  
Four Star Holdings, LLC  
Francisco Equipment Company, LLC  
Francisco Land Holdings Company, LLC  
Francisco Mining, LLC  
Gallo Finance Company, LLC  
Gold Fields Chile, LLC  
Gold Fields Mining LLC  
Gold Fields Ortiz, LLC  
Hayden Gulch Terminal, LLC  
Highwall Mining Services Company  
Hillside Recreational Lands, LLC  
HMC Mining, LLC  
Illinois Land Holdings, LLC  
Independence Material Handling, LLC  
James River Coal Terminal, LLC  
Juniper Coal Company, LLC  
Kayenta Mobile Home Park, Inc.  
Kentucky Syngas, LLC  
Kentucky United Coal, LLC  
Lively Grove Energy Partners, LLC

Lively Grove Energy, LLC  
Marigold Electricity, LLC  
Midco Supply and Equipment Corporation  
Midwest Coal Acquisition Corporation  
Midwest Coal Reserves of Illinois, LLC  
Midwest Coal Reserves of Indiana, LLC  
Midwest Coal Reserves of Kentucky, LLC  
Moffat County Mining, LLC  
Mustang Energy Company, LLC  
New Mexico Coal Resources, LLC  
NM Equipment Company, LLC  
Pacific Export Resources, LLC  
Peabody America, LLC  
Peabody Archveyor, LLC  
Peabody Arclar Mining, LLC  
Peabody Asset Holdings, LLC  
Peabody Bear Run Mining, LLC  
Peabody Bear Run Services, LLC  
Peabody Caballo Mining, LLC  
Peabody Cardinal Gasification, LLC  
Peabody China, LLC  
Peabody Coalsales, LLC  
Peabody COALTRADE International (CTI), LLC  
Peabody COALTRADE, LLC  
Peabody Colorado Operations, LLC  
Peabody Colorado Services, LLC  
Peabody Coulterville Mining, LLC  
Peabody Development Company, LLC  
Peabody Electricity, LLC  
Peabody Employment Services, LLC  
Peabody Energy Corporation  
Peabody Energy Generation Holding Company  
Peabody Energy Investments, Inc.  
Peabody Energy Solutions, Inc.  
Peabody Gateway North Mining, LLC  
Peabody Gateway Services, LLC  
Peabody Holding Company, LLC  
Peabody Holdings (Gibraltar) Limited  
Peabody IC Funding Corporation  
Peabody IC Holdings, LLC  
Peabody Illinois Services, LLC  
Peabody Indiana Services, LLC  
Peabody International Investments, Inc.  
Peabody International Services, Inc.  
Peabody Investments Corporation  
Peabody Magnolia Grove Holdings, LLC  
Peabody Midwest Management Services, LLC  
Peabody Midwest Mining, LLC  
Peabody Midwest Operations LLC  
Peabody Midwest Services, LLC  
Peabody Mongolia, LLC  
Peabody Natural Gas, LLC

Peabody Natural Resources Company  
Peabody New Mexico Services, LLC  
Peabody Operations Holding, LLC  
Peabody Powder River Mining, LLC  
Peabody Powder River Operations, LLC  
Peabody Powder River Services, LLC  
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Peabody Recreational Lands, LLC  
Peabody Rocky Mountain Management Services, LLC  
Peabody Rocky Mountain Services, LLC  
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Peabody School Creek Mining, LLC  
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Peabody Terminal Holding Company LLC  
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Thoroughbred Mining Company LLC  
Twentymile Coal, LLC  
Twentymile Equipment Company, LLC  
Twentymile Holdings, LLC  
United Minerals Company, LLC  
West Roundup Resources, LLC  
Wild Boar Equipment Company, LLC  
Wild Boar Land Holdings Company, LLC

9 East Shipping (Asia) Pte. Lt  
9 East Shipping Ltd.  
Bowen Basin Coal JV  
BTU International BV  
Burton Coal JV  
Capricorn JV  
Carbones Del Guasare, S.A.  
Carbones Peabody De Venezuela  
Cardinal Gasification Center, LLC  
CL Power Sales Eight, LLC  
Complejo Siderurgico Del Lago, C.A.  
Conexel #1 Pty Ltd.  
Coppabella and Moorvale JV  
Dalrymple Bay Coal Terminal Pty Ltd.  
Desarrollos Venshelf IV, C.A.  
Dominion Terminal Associates  
Econo-Power International Corporation  
Excel Equities International  
Excelven Pty Ltd.  
FutureGen Industrial Alliance, Inc.  
Global Center For Energy And Human Development,  
LLC  
Gravimag LLC  
Great Point Energy, Inc.  
Green Gen Company Limited (China)  
Guaniamo Mining Corporation  
Half-Tide Marine Pty Ltd.  
Helensburgh Coal Pty Ltd.  
Hunter Valley Coal Chain Coordinator Limited  
Integrated Logistics Company Pty Ltd.  
Islands of Waterside Homebuilding, LLC  
Islands of Waterside, LLC  
LRCS Limited Partnership  
Mega Uranium Ltd.  
Metropolitan Collieries Pty L  
Middlemount Coal Pty Ltd.  
Middlemount Mine Management Pty Ltd.  
Millenium Coal Pty Ltd.  
Monto Coal 2 Pty Ltd.  
Monto Coal JV  
Moorvale West JV  
Mount Thorley Coal Loading Pty Ltd.  
MUC Resources LLC  
NCIG Holdings Pty Ltd.  
Newcastle Coal Infrastructure Group Pty Ltd.  
Newcastle Coal Shippers Pty Ltd.  
Newhall Funding Company  
North Goonyella Coal Mines Pty  
North Goonyella Joint Venture  
North Queensland Coal Terminal Pty. Ltd.  
North Wambo Pty Ltd.  
Olive Downs South JV  
P&L Receivables Co., LLC  
Pbdy Budjero Pty Ltd  
Pbdy Energy Au PCI (C&M Equip)  
Pbdy Energy Au PCI (C&M Mgmt)

**Non-Filing Companies and Affiliates**

Pbdy Energy Au PCI Berrigurra	Peabody Moorvale West Pty Ltd
Pbdy Energy Au PCI Equip Pty L	Peabody Mozambique Limitada
Pbdy Energy Au PCI Exploration	Peabody Netherlands Holding BV
Pbdy Energy Au PCI Mgmt Pty Lt	Peabody Olive Downs Pty Ltd
Pbdy Energy Au PCI Mine Mgmt P	Peabody Pastoral Holdings PTY
Pbdy Energy Au PCI Rush Pty Lt	Peabody West Burton Pty Ltd
Pbdy Inv Dev Bus Svc Beijing	Peabody West Rolleston Pty Ltd
Pbdy Inv Dev Bus Svc Urumqi	Peabody West Walker Pty Ltd
Peabody (Bowen) Pty Ltd.	Peabody-Winsway Resources BV
Peabody (Burton Coal) PTY LTD	Peabody-Winsway Resources LLC
Peabody (Kogan Creek) Pty Ltd.	PEAMCoal Holdings Pty Ltd
Peabody (Wilkie Creek) Pty Ltd.	PEAMCoal Pty Ltd
Peabody Acquisition Co. No. 2 Pty	Port Kembla Coal Terminal Limited
Peabody Acquisition Co. No. 5 Pty	PowerTree Carbon Company, LLC
Peabody Acquisition Cooperatie	Prairie State Energy Campus
Peabody AMBV <sub>2</sub> BV	PT Peabody COALTRADE Indonesia
Peabody Australia Holdco Pty L	PT Peabody Mining Services
Peabody Australia Intermediate	Red Mountain JV
Peabody Australia Mining Pty L	Ribfield Pty Ltd.
Peabody BB Interests Pty Ltd.	Seaham No. 4 Colliery Pty Ltd.
Peabody Bistrotel Pty Ltd.	Sterling Centennial MO Ins Co
Peabody Budjero Pty Ltd.	Survant Mining Company, LLC
Peabody Capricorn Pty Ltd.	Transportes Coal Sea de Venezuela, C.A.
Peabody CHPP, LLC	Venshelf IV, C.A.
Peabody Coal Venezuela Ltd.	West Rolleston JV
Peabody COALSALES Australia Pty Ltd.	West Walker JV
Peabody COALTRADE Asia Pvt Lt	Wambo Coal Pty Ltd.
Peabody COALTRADE AU	Wambo Coal Terminal PL
Peabody COALTRADE GmbH	Wambo Open Cut Pty Ltd.
Peabody Coaltrade India Pvt Lt	West/North Burton JV
Peabody COALTRADE International, Ltd.	WICET Holdings Pty Ltd.
Peabody COALTRADE Pacific Pte	Wilpinjong Coal Pty Ltd.
Peabody Coppabella Pty Ltd	Wyoming Quality Healthcare Coalition, LLC
Peabody Custom Mining Pty Ltd	
Peabody Investment & Development Business Services	
Beijing Co (China)	
Peabody Energy (Botswana) (Proprietary) Limited	<b>Debtors' Directors, Officers and Management</b>
Peabody Energy (Gibraltar) Ltd.	A. Verona Dorch
Peabody Energy Au PCI Pty Ltd	Alice Tharenos
Peabody Energy Aust Coal	Allen T. Capdeboscq
Peabody Energy Australia PCI Financing Pty Ltd.	Amy B. Schwetz
Peabody Energy Australia PTY L	Audry P. Rappleyea
Peabody Energy Australia PCI Exploration Pty Ltd.	Barbara E. Busby
Peabody Energy Australia PCI Financing Pty Ltd.	Beth C. Sutton
Peabody Energy Finance Pty Ltd.	Bradley E. Phillips
Peabody Global Services Pte. L	Brandon Risner
Peabody Gobi LLC	Brian R. Cropper
Peabody Investments Holland B.V.	Bryan A. Galli
Peabody Int'l. (Gibraltar) Ltd	Bryce G. West
Peabody Investments (Gibraltar)	Charles F. Meintjes
Peabody MCC (Gibraltar) Ltd	Charles R. Otec
Peabody MCC Holdco Pty	Charles R. Tilly
Peabody Mining (Gibraltar) Ltd	Chino Kim
Peabody Mining Services (Indonesia)	Christina R. Lorents
Peabody Monto Pty Ltd	Christopher S. Walker
Peabody Moorvale Pty Ltd	Christopher W. Wittenauer
	Creston P. Ragan

Daniel J. Applebaum  
Darral G. Heaton  
David A. James  
David Richard Leslie Barham  
Douglas D. Loucks  
Donald S. Pearson  
Drew W. Kimery  
Emmanuel Jason Davis  
Eric J. Baltz  
Gary J. Wilhelm  
Gary T. Kacich  
Gene Koch  
Glenn L. Kellow  
Gregory P. Vandiver  
H. E. Lentz  
Heather A. Wilson  
Jacob A. Williams  
James Marchino  
James A. Tichenor  
Jason H. Pello  
Jay Honse  
Jeffrey A. Maher  
John F. Turner  
John R. Schwartze  
John S. Yaeger  
Joshua J. Price  
Julie A. Nadolny  
Kemal Williamson  
Kendra Quick  
Kurt A. Jones  
Lina Young  
Marc E. Hathhorn  
Marc D. Stone  
Mark Blom  
Mark A. Scimio  
Matthew A. Ubelhor  
Matthew J. Pedersen-Howard  
Michael J. Flannigan  
Michael J. Jasutis  
Michael Siebers  
Michael Sutherlin  
Michelle Mitchell-Bromfman  
Mitchell W. Knapton  
Patrick J. Forkin  
Patrick K. Sollars  
Paul M. Wagner  
Peggy A. Scott  
Philip C. Dinsmoor  
Priscilla E. Duncan  
Randolph S. Lehn  
Raymond V. Shepherd  
Robert A. Malone  
Robert B. Karn, III  
Robert F. Bruer  
Sandra A. Van Trease  
Scott J. Mayer

Scott L. Croger  
Scott N. Durgin  
Scott T. Jarboe  
Scott Harrell  
Thomas W. Dietrich  
Victor P. Svec  
Walter L. Hawkins, Jr.  
William A. Coley  
William C. Rusnack  
William E. James  
William R. Hall

**Major Equity Holders**

Arthur J. Gallagher & Co.  
Blackrock, Inc.  
Kopernik Global Investors  
Morgan Stanley  
The Vanguard Group

**Debtors' Professionals**

Ernst & Young  
FTI Consulting, Inc.  
Jones Day  
Kekst  
Kurtzman Carson Consultants  
Lazard Frères & Company  
Abacus Financial Services LTD  
Babst, Calland, Clements & Zomnir  
Baker & McKenzie LLP  
Bamberger Foreman Oswald & Hahn  
Beveridge & Diamond, PC  
BKD LLP  
Blooston, Mordkofsky, Dickens, Duffy & Prendergast,  
LLP  
Bona Lex LLC  
Brownstein Hyatt & Farber, P.C.  
Crowell Moring  
Dechert LLP  
Dowd Bennett LLP  
Evans & Dixon, LLC  
Eversheds LLP  
Greensfelder, Hemker & Gale  
Gordon & Gordon, P.S.C.  
H&K Law, LLC  
Heussen  
Hogan Lovells US LLP  
Holland & Hart  
Hunton & Williams  
Ice Miller  
Jackson Kelly PLLC  
John R. Cline, PLLC  
Keefe And Depauli, PC  
King & Spalding LLP  
Koenman & Koenman

KPMG LLP  
Lighthouse Legal Consulting, LLC  
Lundmark Baberish Lamont & Slavin, P.C.  
Manatt, Phelps & Phillips  
Masey & Gail, LLP  
McAnany Van Cleave & Phillips, P.C.  
McGuire Woods LLP  
Miller & Chevalier  
Montgomery Amatuzio Dusbabek Chase  
Ogletree Deakins  
Park International  
Pricewaterhouse Coopers  
Ritesma & Lyon PC  
Senniger Powers  
Shook, Hardy & Bacon LLP  
Snell & Wilmer  
Terrance Gileo Faye  
Thompson Coburn LLP  
Troutman Sanders LLP  
Uhy LLP  
Vranesh And Raisch, LLP  
Wachtell, Lipton, Rosen & Katz  
Wilmer Hale, LLP

#### Parties in Significant Litigation With the Debtors

Lori J. Lynn  
Sunrise Energy, LLC  
Pioneer Oil Company, Inc  
Wildearth Guardians  
Sally Jewell – US Secretary of Interior  
Ned Farquhar – Deputy Assistant Secretary  
for Land and Minerals Management  
Powder River Basin Resource Council  
U.S. Office of Surface Mining and Reclamation  
Western Organization of Resource Councils  
Queensland Bulk Handling Pty Ltd.

#### Landlords

Bureau of Indian Affairs  
David & Linda Yager  
Indiana Coal LLC  
James F Rourke Investment Company  
Jerry And Luann Elkins  
Jerry J Dilts  
John Yager  
Justin Potter Grandchildren's Trust  
Linda K. Rourke Trust  
Navajo Nation  
New Mexico Commissioner of Public Lands  
Office of Natural Resources Revenue  
Office of State Lands And Investments  
Old National Wealth Management  
Paul D. Rourke Living Trust  
Reserve Coal Properties Company

State Board Of Land Commissioner  
Steven Dilts Family  
Talmar, LLC  
Templeton Mineral Lands, LLC  
Two Rivers Ranch Ltd Partnership  
WPP LLC

#### Major Customers

Ameren Missouri  
Arizona Public Service Company  
Associated Electric Cooperative, Inc.  
Duke Energy Indiana, Inc.  
Dynegy Coal Trading & Transport.  
Dynegy Commercial Asset Management, LLC  
Hoosier Energy Rural Electric Cooperative  
Indiana Michigan Power Company  
Indianapolis Power & Light Company  
LG&E and KU Services Company  
MidAmerican Energy Company  
Midwest Generation, LLC  
Northern Indiana Public Service Commission  
NRG Power Marketing, LLC  
Oklahoma Gas and Electric Company  
Omaha Public Power District  
Public Service Company of Colorado  
Public Service Company of Oklahoma  
Salt River Project  
Southwestern Electric Power Company  
Tennessee Valley Authority  
TUCO, Inc.  
Tucson Electric Power Company  
Western Fuels Association, Inc.  
Wisconsin Electric Power Company

#### Indenture/Administrative Trustees

Citibank, N.A.  
U.S. Bank, National Association

#### Major Equipment Lessors

Bank of America Leasing  
Citizens Asset Finance, Inc.  
Fifth Third Leasing Company  
General Electric Capital Corporation  
Huntington National Bank  
Macquarie Equipment Capital, Inc.  
NXT Capital LLC  
PNC Equipment Finance  
Siemens Financial Services  
Sovereign Bank  
SunTrust Equipment Finance & Leasing  
U.S. Bancorp Equipment Finance  
Wells Fargo Bank Equipment Finance  
Wells Fargo Bank Northwest, N.A.

**Parties to Significant Executory Contracts with the Debtors**

Bridgestone Americas, Inc.  
Custom Staffing Services  
Dennis M. McCoy & Sons, Inc.  
Dyno Nobel, Inc.  
Flanders Electric Motor Service  
Fricke Management & Contracting, Inc.  
HollyFrontier Refining & Marketing  
Interstate Power Systems, Inc.  
Joy Global Surface Mining, Inc.  
Joy Global Underground Mining, LLC  
Komatsu Equipment Company  
Liebherr Mining Equipment Company  
Macallister Machinery Co., Inc.  
Marathon Petroleum Company  
Michelin North America, Inc.  
Nalco Company  
Nelson Brothers, LLC  
Orica Ground Support, Inc.  
Phillips 66 Company  
Pittman Mine Services, LLC  
Union Wire Rope  
Veyance Technologies, Inc.  
Wagner Equipment Company  
Wesco  
Western Refining Wholesale, Inc.  
Whayne Supply Company  
Yampa Valley Electric Association, Inc.

**Insurers/Insurance Brokers**

**Brokers:**

AON Insurance Managers, Inc.  
AON Risk Services Central, Inc.  
Arthur J. Gallagher & Co.  
Lexington Insurance Company  
Lockton Companies, LLC  
Marsh USA, Inc.  
Willis of Tennessee

**Insurers:**

ACE American Insurance Company  
ACE European Group, Ltd.  
ACE Group – Jaya Proteski  
ACE Insurance Limited  
AIG  
AIG Property Casualty Insurance Agency, Inc.  
AIG Specialty Insurance Company  
Allied World National Assurance Company Ltd.  
AON Bermuda Insurance, Ltd.  
AON UK, Ltd.  
Apollo Liability Consortium  
Arch Insurance Company

Arch Specialty Insurance Company  
Aspen Insurance UK Limited  
AXIS Insurance Company  
Berkshire Hathaway Specialty Insurance  
C.N.A.  
China Pacific Property Insurance Company  
Endurance American Insurance Company  
Freedom Specialty Insurance Company  
Great American Insurance Companies  
Huatai Property and Casualty Insurance Co., Ltd.  
Iron Shore Indemnity Inc.  
Ironshore Europe Limited  
Liberty Mutual Insurance Europe Limited  
National Union Fire Insurance Company of Pittsburgh  
Navigators Insurance Company  
Old Republic Insurance Company  
Prosight Specialty Insurance  
SCOR Channel Limited  
SCOR UK Company Limited  
Starr Insurance & Reinsurance Limited  
Starr Surplus Lines Insurance Company  
Sterling Centennial Missouri Insurance Corporation  
Tenger Insurance LLC  
The Hartford  
U.S. Specialty Insurance Company  
UK Defence Club  
UK P&I Club  
United States Aviation Underwriters, Inc.  
Water Quality Insurance Syndicate  
XL Catlin & Novae  
XL Insurance Company SE  
XL Specialty Insurance Company  
Zurich American Insurance Company  
Zurich Australian Insurance Limited  
Zurich Insurance Plc

**Premium Financing Companies**

AFCO Credit Corporation  
Bank Direct Capital Finance

**Principal Trade Vendors**

Arnold Machinery Company  
Beneflex HR Resources, Inc.  
Blue Cross Blue Shield  
Brake Supply Company, Inc.  
Caremark  
Dominion Terminal Associates  
Elkland Mining LLC  
Empire Southwest AZ, LLC  
Fairmont Supply Company  
Harrington Benefit Services, Inc.  
Prairie State Generating Company  
Rudd Equipment Corporation  
Silver Script Insurance Company

The Vanguard Group  
United Central Industrial Supply  
United Minerals Company, LLC  
Wyoming Machinery Company

Win Energy  
Yampa Valley Electric Assn., Inc.

**Major Utilities**

Ameren IP  
American Fiber Comm, LLC  
Arizona Public Service  
AT&T  
AT&T Teleconference Services  
AT&T U-Verse (SM)  
C.M., Inc.  
CenturyLink  
City Of Flagstaff  
City Of Gillette  
Cogent Communications, Inc.  
Comcast  
Continental Divide Electric  
Daviess-Martin Remc  
Duke Energy Corporation  
Egyptian Electric Cooperative  
Ellis Water Company, Inc.  
Ferrellgas, Inc.  
First Energy Solutions Corp  
Francisco Water Dept.  
Franklin Salvage  
Frontier  
Globalstar USA  
Globe Wireless  
Granite Telecommunications  
Hostrian  
Kentucky Utilities Co  
Knox County Water, Inc.  
M2M Wireless  
Masergy Communications Inc.  
Mitel Technologies, Inc.  
Navajo Tribal Utility Authority  
New Mexico Gas Company  
Pike-Gibson Water, Inc.  
Pleasantville Water Company Inc.  
PNM Gas Services  
Powder River Energy Corporation  
Ridge Farm Water Works  
Rocky Mountain Power  
Saline Valley Conservancy District  
Shawnee Communications  
Smithville Communications, Inc.  
Sourcegas, LLC  
Southeastern Illinois Electric  
Unisource Energy Services  
Vectren Energy Delivery  
Verizon  
Village Of Coulterville  
Washington Municipal Public

**Accounts Receivable Securitization Facility Purchasers**

PNC Bank, National Association

**Union**

United Mine Workers of America

**Environmental Regulatory Agencies and Reclamation Bonding Entities**

Arizona Department of Homeland Security  
Arizona Department of Weights and Measures  
Bureau of Indian Affairs  
City of Evansville Environment Protection Agency  
Colorado Department of Agriculture  
Colorado Department of Natural Resources, Division of Reclamation and Mining  
Colorado Department of Public Health & Environment  
Colorado Department of Public Health & Environment, Air Pollution Control Division  
Colorado Department of Public Health & Environment, Hazardous Materials and Waste Management Division  
Colorado Department of Public Health & Environment, Water Quality Control Division  
Colorado, Division of Reclamation Mining and Safety  
Egyptian Health Department  
Federal Communications Commission  
Gibson County Health Department  
Illinois Department of Natural Resources, Explosives Division  
Illinois Department of Transportation  
Illinois Emergency Management Agency  
Illinois Environmental Protection Agency  
Indiana Department of Homeland Security  
Indiana Department of Environmental Management  
Indiana Department of Natural Resources  
Indiana Department of Transportation  
Indiana State Department of Health  
Kentucky Department for Natural Resources  
Knox County Area Planning Commission  
Mine Safety & Health Administration  
Montana Department of Environmental Quality  
National Weather Service Employees Organization  
Navajo Nation Environmental Protection Agency  
New Mexico - Mining and Minerals Division  
New Mexico Environment Department  
New Mexico Office of the State Engineer  
State of Illinois Department of Natural Resources  
State of Indiana Department of Natural Resources

United States Department of Agriculture - Forest Service  
United States Army Corps of Engineers  
United States Department of the Interior, Office of Surface Mining  
United States Department of Justice, Bureau of Tobacco and Firearms  
United States Department of Labor, Mine Safety and Health Administration  
United States Environmental Protection Agency  
United States Federal Communications Commission, Wireless Telecommunications Bureau  
United States Fish and Wildlife Service  
United States Forest Service  
United States Nuclear Regulatory Commission  
Warrick County Area Board of Zoning Appeals  
Warrick County Building Commission  
Warrick County Health Department  
Wyoming Department of Environmental Quality (Air Land and Water Quality Division)

#### **Other Governmental Entities**

Internal Revenue Service  
Pension Benefit Guaranty Corporation  
United States Attorney's Office for the Eastern District of Missouri  
United States Department of Labor  
United States Department of the Interior

#### **Secured Lenders**

3i Debt Management US, LLC  
Aegon USA Investment Management, LLC  
AllianceBernstein, L.P.  
Allstate Investment Management Company  
American Capital Asset Management, LLC  
American Century Investment Management, Inc.  
American Money Management Corporation  
Apex Credit Partners, LLC  
Ares Management, LLC  
Aurelius Capital Management, L.P.  
Australia and New Zealand Banking Group, Ltd.  
Avenue Capital Management II, L.P.  
Babson Capital Management, LLC  
Bank of America Merrill Lynch Proprietary Trading  
Bank of America, National Association  
Barclays Bank Plc  
Barclays Capital, Inc.  
Bennett Management Corporation  
BlackRock Advisors, LLC  
BNP Paribas Asset Management, Inc.  
Branch Banking And Trust Company  
Brevan Howard U.S. Investment Management, L.P.  
Capital Research & Management Company  
Caterpillar Financial Services

Chartwell Investment Partners, Inc.  
Citigroup Global Markets, Inc.  
Comerica Bank  
Compass Bank  
Cortland Capital Market Services, LLC  
Crédit Agricole Corporate and Investment Bank  
Crédit Industriel et Commercial  
Credit Suisse AG  
Credit Value Partners, L.P.  
Deutsche Bank AG  
Deutsche Bank Securities, Inc.  
DuPont Capital Management Corporation  
DW Partners, L.P.  
ED&F Man Capital Markets, Inc.  
Elliott Management Corporation  
Euroclear Bank  
Fidelity Management & Research Company  
Fifth Third Bank  
First Eagle Investment Management, LLC  
FOC Partners  
Franklin Advisers, Inc.  
Glendon Capital Management, L.P.  
GoldenTree Asset Management, L.P.  
Goldman Sachs  
Goldman Sachs Asset Management, L.P.  
Highland Capital Management  
HillMark Capital Management, L.P.  
HSBC Bank USA, National Association  
III Capital Management  
Industrial and Commercial Bank of China Limited  
ING Financial Markets, LLC  
Intermediate Capital Group, Inc.  
JP Morgan  
JP Morgan Chase Bank  
JP Morgan Chase Bank/Correspondence Clearing Services  
JP Morgan Investment Management, Inc.  
JP Morgan Whitefriars, Inc.  
JMMB Securities, Ltd.  
Kames Capital Plc  
KDP Asset Management, Inc.  
Kingsland Capital Management, LLC  
Linden Advisors, L.P.  
Loews Corporation  
Logan Circle Partners, L.P.  
Loomis Sayles & Company, L.P.  
MacKay Shields, LLC  
Macquarie Bank Limited  
Mangrove Partners  
Marathon Asset Management, L.P.  
MJX Asset Management, LLC  
Morgan Stanley Bank, N.A.  
MUFG Union Bank, National Association  
National Australia Bank Limited  
Neuberger Berman Fixed Income, LLC  
New York Life Investment Management, LLC

NewMark Capital  
Nomura Corporate Research and Asset Management, Inc.  
NYL Investors, LLC  
Oak Hill Advisors, L.P.  
Oaktree Capital Management, L.P.  
Octagon Credit Investors, LLC  
OppenheimerFunds, Inc.  
Ostra Capital Management LLC  
Oversea-Chinese Banking Corporation  
Pacific Life Fund Advisors, LLC  
Palmer Square Capital Management, LLC  
Pine River Capital Management, L.P.  
PineBridge Investments, LLC  
Pinnacle Capital, Ltd.  
PNC Bank, N.A.  
PPM America, Inc.  
Providence Equity Partners, Inc.  
Prudential Investment Management  
RBC Capital Markets, LLC  
RBS Securities, Inc.  
Regiment Capital Advisors  
Robeco Institutional Asset Management B.V.  
S. Goldman Asset Management  
Seix Investment Advisors, LLC  
Silvermine Capital Management, LLC  
Societe Generale  
Soros Fund Management, LLC  
South Dakota Investment Council  
Standard Chartered Bank  
State Street Global Advisors  
Swiss Life Asset Management AG  
Taconic Capital Advisors, L.P.  
TCW Investment Management Company  
TD Asset Management, Inc.  
TIAA-CREF Investment Management  
TPG Capital  
TPH Asset Management, LLC  
U.S. Bank National Association  
UBS AG  
Voya Investment Management, LLC  
W.R. Huff Asset Management Co, LLC  
Wellington Management Company, LLP  
Wells Fargo Bank, N.A.  
Westpac Banking Corporation  
Whitebox Advisors, LLC  
Wolverine Asset Management, LLC  
Zais Group, LLC

American National Registered Investment Advisor, Inc.  
APG Asset Management US, Inc.  
Archer Investment Corporation  
Ares Management, LLC  
Aurelius Capital Management, L.P.  
B. Riley & Co., LLC  
Babson Capital Management, LLC  
Baker Ellis Asset Management, LLC  
Balboa Securities Corporation  
Banco de Sabadell, S.A.  
Bank Hapoalim, Ltd.  
Bank Leumi USA  
Bank of America Merrill Lynch Proprietary Trading  
Bank of Springfield  
Barclays Capital, Inc.  
Bennett Management Corporation  
BH Asset Management, LLC  
BlackRock Advisors, LLC  
Brownstone Investment Group, LLC  
Broyhill Asset Management, LLC  
Buckley Muething Capital Management Company  
Capital Research & Management Company  
Capstone Asset Management Company  
Carret Asset Management, LLC  
Caspian Capital, L.P.  
Chartwell Investment Partners, Inc.  
CI Investments, Inc.  
Cincinnati Asset Management, Inc.  
Citadel Advisors, LLC  
Citadel Securities, LLC  
Citigroup Global Markets, Inc.  
Columbia Management Investment Advisers, LLC  
Conning Asset Management  
Cornèr Banca, S.A.  
Credit Agricole Securities, Inc.  
Credit Suisse AG  
Credit Suisse Securities, LLC  
CRT Capital Group, LLC  
CSS, LLC  
DDJ Capital Management, LLC  
Deutsche Bank Securities, Inc.  
Eastern Bank  
ED&F Man Capital Markets, Inc.  
Elliott Management Corporation  
Ellis Lake Capital, LLC  
Euroclear Bank  
Federal Life Insurance Company  
Federated Investors, Inc.  
Ferox Capital, LLP  
Fidelity Management & Research Company  
Franklin Advisers, Inc.  
Garrison Financial Corporation  
Geneva Advisors, LLC  
Goldman Sachs Asset Management, L.P.  
Guggenheim Funds Investment Advisors, LLC  
Guggenheim Securities, LLC

**Unsecured Lenders**

Aegon USA Investment Management, LLC  
Akanthos Capital Management, LLC  
AllianceBernstein, L.P.  
Alta Capital Management, LLC  
American Century Investment Management, Inc.

GW&K Investment Management, LLC  
Hallmark Capital Management, Inc.  
Hartford Investment Management Company  
Haverford Trust Company  
HighTower Advisors, LLC  
Horizon Asset Management, Inc.  
Huntleigh Securities Corporation  
Invesco Advisers, Inc.  
J.A. Glynn & Company  
J.P. Morgan Chase Bank/Correspondence Clearing Services  
J.P. Morgan Investment Management, Inc.  
J.P. Morgan Securities, LLC  
Jefferies, LLC  
Kayne Anderson Capital Advisors, L.P.  
KSBM Asset Management Limited  
Leader Capital Corporation  
Leumi Private Bank AG  
MacKay Shields, LLC  
Mangrove Partners  
Marathon Asset Management, L.P.  
Mason Street Advisors, LLC  
Mesirow Financial, Inc.  
MetLife Investment Advisors Company, LLC  
Metropolitan West Asset Management, LLC  
Millennium Advisors, LLC  
Morgan Stanley & Company, LLC  
Morgan Stanley Investment Management, Inc.  
Morgan Stanley Wealth Management  
Muzinich & Company, Inc.  
Neuberger Berman Fixed Income, LLC  
New Century Advisors, LLC  
New Mexico Educational Retirement Board  
New York Life Investment Management, LLC  
Nine Masts Capital, Ltd.  
NISA Investment Advisors, LLC  
NNIP Advisors B.V.  
Nomura Corporate Research and Asset Management, Inc.  
Nuveen Asset Management, LLC  
Oaktree Capital Management, L.P.  
Odeon Capital Group, LLC  
OppenheimerFunds, Inc.  
Orleans Capital Management Corporation  
Ostra Capital Management, LLC  
P&S Credit Management, L.P.  
Pacific Heights Asset Management, LLC  
Pacific Life Fund Advisors, LLC  
Palmer Square Capital Management, LLC  
Paloma Partners Management Company  
Payden & Rygel  
Pershing Advisor Solutions, LLC  
PIMCO - Pacific Investment Management Company  
Pine River Capital Management, L.P.  
PineBridge Investments, LLC  
PNC Capital Advisors, LLC  
Prairie Fire Capital LLC  
Private Management Group, Inc.  
ProFund Advisors, LLC  
Proven Wealth, Ltd.  
Provident Investment Management, LLC  
Prudential Investment Management, Inc.  
RBC Capital Markets, LLC  
Robert W. Baird & Company, Inc.  
Ryan Labs, Inc.  
S. Goldman Asset Management, LLC  
Saturna Capital Corporation  
Scotia DBG Investments, Ltd  
Serengeti Asset Management, L.P.  
SG Americas Securities, LLC  
Sheffield Investment Management, Inc.  
South Dakota Investment Council  
State Street Global Advisors  
Stoever, Glass & Company, Inc.  
Strategic Investment Partners, LLC  
Summit Asset Management, LLC  
Swiss Life Asset Management AG  
Taconic Capital Advisors, L.P.  
TCW Investment Management Company  
TD Asset Management, Inc.  
TIAA-CREF Investment Management  
Trondheim Capital LLC  
UBS Securities, LLC  
USAA Asset Management Company  
Van Eck Associates Corporation  
W.R. Huff Asset Management Co., LLC  
Wellington Management Company, LLP  
Wells Fargo Bank, N.A.  
Wells Fargo Financial Services, Inc.  
Wells Fargo Securities, LLC  
Wexford Capital, L.P.  
Wolverine Asset Management, LLC

**United States Bankruptcy Judges for the Eastern District of Missouri**

Judge Barry S. Schermer  
Judge Charles E Rendlen, III  
Chief Judge Kathy Surratt-States

**Publicly-Available Attorneys and Staff for the United States Trustee's Office for the Eastern District of Missouri**

Barbara J. Dorsey  
Chicquita Greene  
Cynthia E. Moore  
Eva Kinzel  
Karen R. Wilson-Smith  
Kathy Lickenbrock  
Leonora S. Long  
Margaret E. Slaughter

Martha M. Dahm  
Paul Randolph  
Sandra Herling

**List of Known Professionals for  
Secured / Unsecured Lenders**

Centerview Partners LLC  
Davis Polk & Wardwell LLP  
Ducera Partners LLC  
Houlihan Lokey, Inc.  
Kirkland & Ellis LLP  
Kramer Levin Naftalis & Frankel LLP  
O'Melveny & Myers LLP  
Pachulski Stang Ziehl & Jones LLP  
Zolfo Cooper, LLC

**Schedule 2**

**Interested Parties with a Relationship with FTI**

## Interested Parties with a Relationship with FTI

Debtors

- PG Investments Six L.L.C.

Non-Filing Companies and Affiliates

- Mount Thorley Coal Loading Pty Ltd.
- Peabody Energy Australia PTY L

Officers and Directors

- Robert B. Karn III

Landlords

- Bureau of Indian Affairs
- Navajo Nation

Major Customers

- Ameren Missouri
- Arizona Public Service Company
- Indiana Michigan Power Co.
- MidAmerican Energy Company
- Midwest Generation, LLC
- Oklahoma Gas and Electric Company
- Omaha Public Power District
- Public Service Company of Colorado
- Public Service Company of Oklahoma
- Salt River Project
- Southwestern Electric Power Co.
- Tennessee Valley Authority
- Tucson Electric Power Company

Collateral Trustees

- Citibank N.A.
- U.S Bank National Association

Major Equipment Lessors

- Bank of America Leasing
- Fifth Third Leasing Company
- General Electric Capital Corp
- Huntington National Bank
- NXT Capital LLC
- PNC Equipment Finance
- Siemens Financial Services
- Sovereign Bank
- U.S. Bancorp Equipment Finance
- Wells Fargo Bank Equipment Finance
- Wells Fargo Bank Northwest N.A.

Parties with Significant Executory Contracts w/Debtors

- Bridgestone Americas, Inc.
- Dyno Nobel Inc.
- Joy Global Underground Mining LLC
- Komatsu Equipment Company
- Marathon Petroleum Company
- Michelin North America, Inc.

- Nalco Company

- Nelson Brothers, LLC

- Phillips 66 Company

- Veyance Technologies, Inc.

- Wesco

- Yampa Valley Electric Assn., Inc.

Insurance/Insurance Brokers

- Marsh USA Inc
- Willis of Tennessee
- ACE American Insurance Company
- ACE European Group Ltd.
- AIG
- AIG Property Casualty Ins. Agency Inc.
- AIG Specialty Ins. Co.
- Aon UK Ltd
- Arch Insurance Co.
- Arch Specialty Insurance Co.
- Aspen Insurance UK Limited
- Axis Insurance Co.
- Berkshire Hathaway Specialty Insurance
- C.N.A.
- China Pacific Property Insurance Company
- Endurance American Insurance Co.
- Freedom Specialty Insurance Company
- Great American Insurance Companies
- Navigators Insurance Co.
- Old Republic Insurance Co.
- Prosight Specialty Insurance
- Starr Surplus Lines Insurance Company
- The Hartford
- U.S. Specialty Insurance Co.
- UK P&I Club
- United States Aviation Underwriters Inc.
- XL Insurance Company SE
- XL Specialty Insurance Company
- Zurich American Insurance Co.
- Zurich Australian Insurance Limited
- AFCO Credit Corporation
- Bank Direct Capital Finance

Professionals

- Ernst & Young
- Jones Day
- Kekst
- Kurtzman Carson Consultants
- Lazard Freres & Company

Principal Trade Vendors

- Arnold Machinery Company
- Blue Cross Blue Shield
- Brake Supply Company. Inc.

## Interested Parties with a Relationship with FTI

- Caremark
- Dominion Terminal Associates
- Fairmont Supply Company
- The Vanguard Group

Utilities Companies

- Ameren IP
- Arizona Public Service
- AT&T
- CenturyLink
- City of Flagstaff
- Cogent Communications, Inc.
- Comcast
- Continental Divide Electric
- Duke Energy Corporation
- Ferrellgas, Inc.
- Frontier
- Globalstar USA
- Granite Telecommunications
- Hostiran
- Masergy Communications Inc
- Mitel Technologies, Inc.
- Powder River Energy Corporation
- Rocky Mountain Power
- Sourcegas, LLC
- Unisource Energy Services
- Vectren Energy Delivery
- Verizon

Accounts Receivable Securitization Facility Lenders

- PNC Bank, National Association

Union

- United Mine Workers of America

Regulatory Agencies

- Bureau of Indian Affairs
- Colorado Department of Public Health & Environment
- Federal Communications Commission
- Illinois Department of Transportation
- Illinois Environmental Protection Agency
- Indiana Department of Environmental Management
- Mine Safety & Health Administration
- Montana Department of Environmental Quality
- New Mexico Environment Department
- United States Department of Agriculture - Forest Service
- United States Army Corps of Engineers
- United States Environmental Protection Agency
- United States Nuclear Regulatory Commission

Other Governmental Entities

- Internal Revenue Service
- Pension Benefit Guaranty Corporation
- United States Department of Labor
- United States Department of the Interior

Secured Lenders

- Aegon USA Investment Management, LLC
- AllianceBernstein, L.P.
- American Century Investment Management, Inc.
- Ares Management, LLC
- Aurelius Capital Management, L.P.
- Australia and New Zealand Banking Group, LTD
- Avenue Capital Management II, L.P.
- Babson Capital Management, LLC
- Bank of America Merrill Lynch Proprietary Trading
- Bank of America, National Association
- Barclays Bank PLC
- Barclays Capital, Inc.
- Bennett Management Corporation
- BlackRock Advisors, LLC
- BNP Paribas Asset Management, Inc.
- Branch Banking And Trust Company
- Caterpillar Financial Services
- Chartwell Investment Partners, Inc
- Citigroup Global Markets, Inc.
- Comerica Bank
- Compass Bank
- Cortland Capital Market Services, LLC
- Crédit Agricole Corporate and Investment Bank
- Crédit Industriel et Commercial
- Credit Suisse AG
- Credit Value Partners, L.P.
- Deutsche Bank AG
- Deutsche Bank Securities, Inc.
- Deutsche Bank
- DW Partners, L.P.
- Elliott Management Corporation
- Euroclear Bank
- Fidelity Management & Research Company
- Fifth Third Bank
- Franklin Advisers, Inc.
- Glendon Capital Management, L.P.
- GoldenTree Asset Management, L.P.
- Goldman Sachs
- Goldman Sachs Asset Management, L.P.
- Highland Capital Management
- HillMark Capital Management, L.P.
- HSBC Bank USA, National Association
- Industrial and Commercial Bank of China
- ING Financial Markets, LLC
- Intermediate Capital Group, Inc.

## Interested Parties with a Relationship with FTI

- J.P. Morgan
- J.P. Morgan Investment Management, Inc.
- J.P. Morgan Whitefriars, Inc.
- JPMorgan Chase Bank/Correspondence Clearing Services
- KDP Asset Management, Inc.
- Kingsland Capital Management, LLC
- Linden Advisors, L.P.
- Loews Corp.
- Loomis Sayles & Company, L.P.
- MacKay Shields, LLC
- Macquarie Bank Limited
- Mangrove Partners
- Marathon Asset Management, L.P.
- MJX Asset Management, LLC
- Morgan Stanley Bank, N.A.
- National Australia Bank Limited
- New York Life Investment Management, LLC
- NYL Investors, LLC
- Oak Hill Advisors, L.P.
- Oaktree Capital Management, L.P.
- Octagon Credit Investors, LLC
- OppenheimerFunds, Inc.
- Oversea-Chinese Banking Corporation
- Pacific Life Fund Advisors, LLC
- Pine River Capital Management, L.P.
- PineBridge Investments, LLC
- Pinnacle Capital, LTD
- PNC Bank NA
- PPM America, Inc.
- Providence Equity Partners, Inc.
- Prudential Investment Management, Inc.
- RBC Capital Markets, LLC
- RBS Securities, Inc.
- Regiment Capital Advisors
- Seix Investment Advisors, LLC
- Silvermine Capital Management, LLC
- Societe Generale
- Soros Fund Management, LLC
- Standard Chartered Bank
- State Street Global Advisors
- Taconic Capital Advisors, L.P.
- TCW Investment Management Company
- TD Asset Management, Inc.
- TIAA-CREF Investment Management
- TPG Capital
- U.S. Bank National Association
- UBS AG
- Voya Investment Management, LLC
- W.R. Huff Asset Management Co., LLC
- Wellington Management Company, LLP
- Wells Fargo Bank N.A.

- Westpac Banking Corporation
- Whitebox Advisors, LLC
- Wolverine Asset Management, LLC
- Zais Group, LLC

Unsecured Lenders

- Aegon USA Investment Management, LLC
- Akanthos Capital Management, LLC
- AllianceBernstein, L.P.
- American Century Investment Management, Inc.
- Ares Management, LLC
- Aurelius Capital Management, L.P.
- B. Riley & Co., LLC
- Babson Capital Management, LLC
- Bank Hapoalim, LTD
- Barclays Capital, Inc.
- Bennett Management Corporation
- BlackRock Advisors, LLC
- Brownstone Investment Group, LLC
- Caspian Capital, L.P.
- Chartwell Investment Partners, Inc.
- CI Investments, Inc.
- Citadel Securities, LLC
- Citadel Advisors, LLC
- Citigroup Global Markets, Inc.
- Columbia Management Investment Advisers, LLC
- Conning Asset Management
- Credit Agricole Securities, Inc.
- Credit Suisse AG
- Credit Suisse Securities, LLC
- CRT Capital Group, LLC
- CSS, LLC
- DDJ Capital Management, LLC
- Deutsche Bank Securities, Inc.
- Eastern Bank
- Elliott Management Corporation
- Euroclear Bank
- Federal Life Insurance Company
- Federated Investors, Inc.
- Ferox Capital, LLP
- Fidelity Management & Research Company
- Franklin Advisers, Inc.
- Goldman Sachs Asset Management, L.P.
- Guggenheim Funds Investment Advisors, LLC
- Hartford Investment Management Company
- Horizon Asset Management, Inc.
- Invesco Advisers, Inc.
- J.A. Glynn & Co.
- J.P. Morgan Investment Management, Inc.
- J.P. Morgan Securities, LLC
- Jefferies, LLC

## Interested Parties with a Relationship with FTI

- JPMorgan Chase Bank/Correspondence Clearing Services
- Kayne Anderson Capital Advisors, L.P.
- Leader Capital Corporation
- MacKay Shields, LLC
- Mangrove Partners
- Marathon Asset Management, L.P.
- Mason Street Advisors, LLC
- Mesirow Financial, Inc.
- Metropolitan West Asset Management, LLC
- Morgan Stanley & Company, LLC
- Morgan Stanley Wealth Management
- Morgan Stanley Investment Management, Inc.
- Muzinich & Company, Inc.
- New Mexico Educational Retirement Board
- New York Life Investment Management, LLC
- Nomura Corporate Research and Asset Management, Inc.
- Nuveen Asset Management, LLC
- Oaktree Capital Management, L.P.
- OppenheimerFunds, Inc
- Pacific Life Fund Advisors, LLC
- Payden & Rygel
- PIMCO - Pacific Investment Management Company
- Pine River Capital Management, L.P.
- PineBridge Investments, LLC
- PNC Capital Advisors, LLC
- Private Management Group, Inc.
- ProFund Advisors, LLC
- Provident Investment Management, LLC
- Prudential Investment Management, Inc.
- RBC Capital Markets, LLC
- Robert W. Baird & Company, Inc.
- Ryan Labs, Inc.
- Serengeti Asset Management, L.P.
- SG Americas Securities, LLC
- State Street Global Advisors
- Stoever, Glass & Company Inc.
- Taconic Capital Advisors, L.P.
- TCW Investment Management Company
- TD Asset Management, Inc.
- TIAA-CREF Investment Management
- UBS Securities, LLC
- USAA Asset Management Company
- W.R. Huff Asset Management Co., LLC
- Wellington Management Company, LLP
- Wells Fargo Bank N.A.
- Wells Fargo Financial Services, Inc.
- Wells Fargo Securities, LLC
- Wexford Capital, L.P.
- Wolverine Asset Management, LLC

Major Equity Holders

- BlackRock Inc.
- Morgan Stanley
- The Vanguard Group

Known Professionals for Secured / Unsecured Lenders

- Centerview Partners LLC
- Davis Polk & Wardwell LLP
- Houlihan Lokey, Inc.
- Kramer Levin Naftalis & Frankel LLP
- Pachulski Stang Ziehl & Jones LLP
- Kirkland & Ellis LLP
- O'Melveny & Myers LLP
- Ducera Partners LLC
- Zolfo Cooper, LLC

**Exhibit B**

**Engagement Letter**



FTI Consulting, Inc.  
227 West Monroe Street  
Suite 900  
Chicago, IL 60606

312.252.9357 telephone  
312.252.9300 facsimile

[www.fticonsulting.com](http://www.fticonsulting.com)

**PRIVATE & CONFIDENTIAL**

November 6, 2015

Mr. Walter Hawkins  
Senior Vice President Finance  
Peabody Energy Corporation  
701 Market Street  
St. Louis, MO 63101

**Re: Peabody Energy Corporation**

Dear Walter:

**1. Introduction**

This letter confirms that we, FTI Consulting, Inc. ("FTI"), have been retained by you, Peabody Energy Corporation (the "Company"), to provide certain financial advisory and consulting services (the "Services") set out below (the "Engagement"). This letter of engagement and the related Standard Terms and Conditions constitute the engagement contract (the "Engagement Contract") pursuant to which the Services will be provided.

**2. Scope of Services**

The Services, to be performed at your direction, are expected to include the following:

**Phase I Services:**

- Assisting the Company with assessing potential restructuring alternatives including a potential court-based process. This assessment will include, but not be limited to, working with the Company, its counsel, and investment bank to:
  - Develop detailed work plans to identify all key informational and analytical requirements related to identified restructuring alternatives;
  - Prepare work plans for the creation of all necessary petitions and related first day motions and filings required in connection with a hypothetical court-based restructuring of specific legal entities and affiliates of the Company; and
  - Identify additional procedures, processes and controls that may be necessary to meet the requirements of such proceedings;
- Performing other customary services typical for an engagement of this type as may be mutually agreed to by the Company and FTI from time to time.

**Phase II Services:**

- All additional services that are mutually agreed to between the parties, including but not limited to assisting with a potential financial restructuring either outside of or under court protection.

Mr. Walter Hawkins  
November 6, 2015

FTI estimates the time to complete Phase I of the project as detailed above will be approximately three to four weeks.

The Services may be performed by FTI or by any subsidiary of FTI, as FTI shall determine. FTI may also provide Services through its or its subsidiaries' agents or independent contractors. References herein to FTI and its employees shall be deemed to apply also, unless the context shall otherwise indicate, to employees of each such subsidiary and to any such agents or independent contractors and their employees. FTI will be responsible for the acts and omissions of any of its or its subsidiaries' employees, agents or independent contractors performing the Services.

The Services, as outlined above, are subject to change as mutually agreed between us.

FTI is engaged by the Company to provide financial advisory and consulting services only. Accordingly, while we may from time to time suggest options which may be available to you and further give our professional evaluation of these options, the ultimate decision as to which, if any, of these options to implement rests with the Company, its management and board of directors. FTI and its employees will not make any management decisions for the Company and will not be responsible for communicating information concerning the Company to the public or the Company's shareholders.

As part of the Services, FTI may be requested to assist the Company (and its legal or other advisors) in negotiating with the Company's creditors and equity holders and with other interested parties. In the event that we participate in such negotiations, the representations made and the positions advanced will be those of the Company and its management, not FTI or its employees.

If cases under the Bankruptcy Code are commenced and our retention is approved, our role will include serving as bankruptcy financial advisors to the debtors and debtors in possession in those cases under a general retainer, subject to court approval.

The services we will provide in connection with the Engagement will encompass all services normally and reasonably associated with this type of engagement that we are requested and are able to provide and that are consistent with our ethical obligations. With respect to all matters of our Engagement, we will coordinate closely with the Company as to the nature of the services that we will render and the scope of our Engagement.

As usual, our Engagement is to represent the Company and not its individual directors, officers, employees or shareholders. However, we anticipate that in the course of that Engagement, we may provide information or advice to directors, officers or employees in their corporate capacities.

### 3. Fees and Cash on Account

Fees in connection with this Engagement will be based upon the time incurred providing the Services, multiplied by our standard hourly rates, summarized as follows:

<u>United States</u>	<u>Per Hour (USD)</u>
Senior Managing Directors	\$800 – 975
Directors / Managing Directors	645 – 795
Consultants / Senior Consultants	355 – 575

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Administrative / Paraprofessionals 125 – 250

FTI estimates the engagement team for Phase I of the project will include Carlin Adrianopoli and Joseph Concannon for at least 40 hours per week, with assistance from David Beckman and a Senior Consultant for approximately 20 hours per week. FTI estimates fees will range from \$90,000 to \$115,000 per week.

Hourly rates are generally revised periodically. To the extent this Engagement requires services of our International divisions or personnel, the time will be multiplied by our standard hourly rates applicable on International engagements. Note that we do not provide any assurance regarding the outcome of our work and our fees will not be contingent on the results of such work.

In addition to the fees outlined above, FTI will bill for reasonable direct expenses which are incurred on your behalf during this Engagement. Direct expenses include reasonable, customary and documented out-of-pocket expenses which are billed directly to the Engagement such as certain overnight mail, messenger, travel, meals, accommodations and other expenses specifically related to the Engagement. Further, if FTI and/or any of its employees are required to testify or provide evidence at or in connection with any judicial or administrative proceeding relating to this matter, FTI will be compensated by you at its regular hourly rates and reimbursed for reasonable and direct expenses (including reasonable and documented counsel fees) with respect thereto.

#### **Cash on Account**

Initially, the Company will forward to us the amount of \$250,000, which funds will be held "on account" to be applied to our professional fees, charges and disbursements for the Engagement (the "Initial Cash on Account"). To the extent that this amount exceeds our fees, charges and disbursements upon the completion of the Engagement, we will refund any unused portion. The Company agrees to increase or supplement the Initial Cash on Account from time to time during the course of the Engagement in such amounts as the Company and we mutually shall agree are reasonably necessary to increase the Initial Cash on Account to a level that will be sufficient to fund Engagement fees, charges, and disbursements to be incurred.

In the event preparation commences for filing any cases under the Bankruptcy Code, we also may require, as mutually agreed by the parties, an additional on account payment to supplement the Initial Cash on Account to cover fees, charges and disbursements to be incurred during the initial phase of the chapter 11 cases (the "Additional Cash on Account"). We will hold the Additional Cash on Account, as we have the Initial Cash on Account. Of course, the reasonableness of the Additional Cash on Account remains subject to review by the court in any ensuing case.

We will send the Company periodic invoices not less frequently than every two weeks for services rendered and charges and disbursements incurred on the basis discussed above, and in certain circumstances, an invoice may be for estimated fees, charges and disbursements through a date certain. Each invoice constitutes a request for an interim payment against the fee to be determined at the conclusion of our Services. Prior to the commencement of any bankruptcy proceedings, the following procedures shall apply to such invoices:

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Upon transmittal of the invoice, we may immediately draw upon the Initial Cash on Account (as replenished from time to time) in the amount of the invoice. The Company agrees upon submission of each such invoice to promptly wire the invoice amount to us as replenishment of the Initial Cash on Account (together with any supplemental amount to which we and the Company mutually agree), without prejudice to the Company's right to advise us of any differences it may have with respect to such invoice. We have the right to apply to any outstanding invoice (including amounts billed prior to the date hereof), up to the remaining balance, if any, of the Initial Cash on Account (as may be supplemented from time to time) at any time subject to (and without prejudice to) the Company's opportunity to review our statements.

If any of the Company's entities becomes a debtor in one or more cases under the Bankruptcy Code, some fees, charges, and disbursements (billed or unbilled) incurred before the filing of bankruptcy petitions (voluntary or involuntary) might remain unpaid as of the date of the filing. The unused portion, if any, of the Initial Cash on Account and the Additional Cash on Account will be applied to any such unpaid pre-petition fees, charges and disbursements. Any requisite court permission will be obtained in advance. We will then hold any portion of the Initial Cash on Account and the Additional Cash on Account not otherwise properly applied for the payment of any such unpaid pre-filing fees, charges and disbursements (billed or unbilled) as on account cash to be applied to our final invoice in any case under the Bankruptcy Code.

In any case under the Bankruptcy Code, fees and expenses may not be paid without the express prior approval of the bankruptcy court. In most cases of this size and complexity, on request of a party in interest, the bankruptcy court permits the payment of interim fees during the case. If the bankruptcy court approves a procedure for the payment of interim fees during any bankruptcy case, we will submit invoices on account against our final fee. These interim invoices will be based on such percentage as the bankruptcy court allows of our internal time charges and costs and expenses for the work performed during the relevant period and will constitute a request for an interim payment against the reasonable fee to be determined at the conclusion of our representation.

Any post-petition fees, charges and disbursements will be due and payable immediately upon entry of an order containing such court approval or at such time thereafter as instructed by the court. The Company understands that while the arrangement in this paragraph may be altered in whole or in part by the bankruptcy court, the Company shall nevertheless remain liable for payment of court approved post-petition fees and expenses. Such items are afforded administrative priority under 11 U.S.C. § 503(b)(l). The Bankruptcy Code provides in pertinent part, at 11 U.S.C. § 1129(a)(9)(A), that a plan cannot be confirmed unless these priority claims are paid in full in cash on the effective date of any plan (unless the holders of such claims agree to different treatment). It is agreed and understood that the unused portion, if any, of the Initial Cash on Account (as may be supplemented from time to time) and the Additional Cash on Account shall be held by us and applied against the final fee application filed and approved by the court.

The Company agrees to promptly notify FTI if the Company or any of its subsidiaries or affiliates extends (or solicits the possible interest in receiving) an offer of employment to a principal or employee of FTI involved in this Engagement and agrees that FTI has earned and is entitled to a cash fee, upon hiring, equal to 150% of the aggregate first year's annualized compensation, including any guaranteed or target bonus and equity award, to be paid to FTI's former principal or employee that the Company or any of its subsidiaries or affiliates hires at any time up to one year subsequent to the date

Mr. Walter Hawkins  
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of the final invoice rendered by FTI with respect to this Engagement. The foregoing paragraph will not apply to principals or employees of FTI involved in this Engagement who respond to a general solicitation (not specifically targeted at the FTI principal or employee) of employment by the Company.

**4. Terms and Conditions**

The attached Standard Terms and Conditions set forth the duties of each party with respect to the Services. Further, this letter and the Standard Terms and Conditions attached comprise the entire Engagement Contract for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations, and shall supersede all previous proposals, letters of engagement, undertakings, agreements, understandings, correspondence and other communications, whether written or oral, regarding the Services.

**5. Conflicts of Interest**

Based on the list of interested parties (the "Potentially Interested Parties"), provided by you, we have undertaken a limited review of our records to determine FTI's professional relationships with the Company. As you may be aware, FTI is regularly retained by the administrative agent and/or other members of your lending group (or law firms retained by the administrative agent or lending group members). However, such representations are in matters unrelated to this Engagement.

From the results of such review, we were not made aware of any conflicts of interest or additional relationships that we believe would preclude us from performing the Services. However, as you know, we are a large consulting firm with numerous offices throughout the United States. We are regularly engaged by new clients, which may include one or more of the Potentially Interested Parties. The FTI professionals providing services hereunder will not accept an engagement that directly conflicts with this Engagement without your prior written consent.

**6. Acknowledgement and Acceptance**

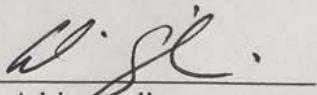
Please acknowledge your acceptance of the terms of this Engagement Contract by signing both the confirmation below and the attached Standard Terms and Conditions and returning a copy of each to us at the above address.

If you have any questions regarding this letter or the attached Standard Terms and Conditions, please do not hesitate to contact Carlin Adrianopoli at 312-252-9357 or David Beckman at 720-635-8113.

Yours faithfully,

FTI CONSULTING, INC.

By:

  
Carlin Adrianopoli  
Senior Managing Director

Attachment – As stated

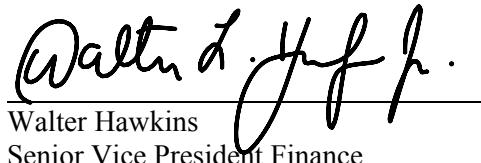
Mr. Walter Hawkins  
November 6, 2015

Confirmation of Terms of Engagement

**We agree to engage FTI Consulting, Inc. upon the terms set forth herein and in the attached Standard Terms and Conditions.**

**Peabody Energy Corporation**

By:

  
\_\_\_\_\_  
Walter Hawkins  
Senior Vice President Finance

Date: November 6, 2015

**FTI CONSULTING, INC.**

**STANDARD TERMS AND CONDITIONS**

The following are the Standard Terms and Conditions on which we will provide the Services to you set forth within the attached letter of engagement with Peabody Energy Corporation dated November 6, 2015. The Engagement letter and the Standard Terms and Conditions (collectively the “Engagement Contract”) form the entire agreement between us relating to the Services and replace and supersede any previous proposals, letters of engagement, undertakings, agreements, understandings, correspondence and other communications, whether written or oral, regarding the Services. The headings and titles in the Engagement Contract are included to make it easier to read but do not form part of the Engagement Contract.

**1. Reports and Advice**

1.1 **Use and purpose of advice and reports** – Any advice given or report issued by us is provided solely for your use and benefit and only in connection with the purpose in respect of which the Services are provided. Unless required by law, you shall not provide any advice given or report issued by us to any third party, or refer to us or the Services, without our prior written consent, which shall be conditioned on the execution of a third party release letter in the form provided by FTI. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to which any advice or report is disclosed or otherwise made available.

**2. Information and Assistance**

2.1 **Provision of information and assistance** – Our performance of the Services is dependent upon your providing us with such information and assistance as we may reasonably require from time to time.

2.2 **Punctual and accurate information** – You shall use reasonable skill, care and attention to ensure that all information we may reasonably require is provided on a timely basis and is accurate and complete and relevant for the purpose for which it is required. You shall also notify us if you subsequently learn that the information provided is incorrect or inaccurate or otherwise should not be relied upon.

2.3 **No assurance on financial data** – While our work may include an analysis of financial and accounting data, the Services will not include an audit, compilation or review of any kind of any financial statements or components thereof. Company management will be responsible for any and all financial information they provide to us during the course of this Engagement, and we will not examine or compile or verify any such financial information. Moreover, the circumstances of the Engagement may cause our advice to be limited in certain respects based upon, among other matters, the extent of sufficient and available data and the opportunity for supporting investigations in the time period. Accordingly, as part of this Engagement, we will not express any opinion or other form of assurance on financial statements of the Company.

2.4 **Prospective financial information** - In the event the Services involve prospective financial information, our work will not constitute an examination or compilation, or apply agreed-upon procedures, in accordance with standards established by the American Institute of Certified Public Accountants or otherwise, and we will express no assurance of any kind on such information. There will usually be differences between estimated and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We will take no responsibility for the achievability of results or events projected or anticipated by the management of the Company.

### **3. Additional Services**

3.1 **Responsibility for other parties** – You shall be solely responsible for the work and fees of any other party engaged by you to provide services in connection with the Engagement regardless of whether such party was introduced to you by us. Except as provided in this Engagement Contract, we shall not be responsible for providing or reviewing the advice or services of any such third party, including advice as to legal, regulatory, accounting or taxation matters. Further, we acknowledge that we are not authorized under our Engagement Contract to engage any third party to provide services or advice to you, other than our agents or independent contractors engaged to provide Services, without your written authorization.

### **4. Confidentiality**

4.1 **Restrictions on confidential information** – Except as otherwise provided in this Engagement Contract or authorized by or on behalf of the Company, FTI agrees to keep confidential the existence and terms of this Engagement Contract and to use all non-public information provided to it by or on behalf of the Company hereunder solely for the purpose of providing the Services that are the subject of this Engagement Contract and to treat all such information confidentially. Except as provided below, neither party will disclose the other party's confidential information to any third party without the other party's consent. Confidential information shall not include information that:

- 4.1.1 is or becomes generally available to the public other than as a result of a breach of an obligation under this Clause 4.1;
- 4.1.2 is acquired from a third party who, to the recipient party's knowledge, owes no obligation of confidence in respect of the information; or
- 4.1.3 is or has been independently developed by the recipient; provided that it is understood and agreed that nothing contained in this Clause 4.1.3 shall permit FTI to disclose information developed by FTI for the Company in connection with the Engagement.

4.2 **Disclosing confidential information** – Notwithstanding Clause 1.1 or 4.1 above, either party will be entitled to disclose confidential information of the other to a third party to the extent that this is required by valid legal process. If FTI is served with legal process or any other demand that might require disclosure of any information (including, without limitation, documents or other materials) described in section 4.1 above, FTI will provide the Company and the Company's lead restructuring counsel with prompt notice of, and the opportunity to raise objections to, such process or demand (without violating any legal or regulatory requirement). If no protective order or other remedy is obtained, FTI will only furnish that portion of the information (including, without limitation, documents or other materials) that it is advised by counsel is legally required to be disclosed and will use reasonable efforts to obtain reasonable assurance that such information will be accorded confidential treatment.

4.3 **Citation of engagement** – [Reserved.]

4.4 **Internal quality reviews** – Notwithstanding the above, we may disclose any information referred to in this Clause 4 to any other FTI entity or use it for internal quality reviews; provided, however, that we will cause such persons to keep such information confidential in accordance with the terms of this Engagement Contract and will be responsible for their disclosure of such information other than in accordance with such provisions.

4.5 **Maintenance of workpapers** – Notwithstanding the above, we may keep one archival set of our working papers from the Engagement, including working papers containing or reflecting confidential

information, in accordance with our internal policies; provided, however, that we will keep such materials confidential in accordance with the terms of this Engagement Contract.

## **5. Termination**

- 5.1 **Termination of Engagement with notice** – The Company may terminate the Engagement Contract at any time for whatever reason upon written notice to FTI. Upon receipt of such notice, we will stop all work immediately. You will be responsible for all fees and expenses incurred by us through the date termination notice is received other than expenses in connection with advance travel arrangements (unless FTI is unable to obtain refunds of such expenses). FTI may terminate the Engagement Contract at any time upon the giving of sixty (60) days' prior written notice to the Company.
- 5.2 **Continuation of terms** – The terms of the Engagement that by their context are intended to be performed after termination or expiration of this Engagement Contract, including but not limited to, Clauses 3 and 4 of the Engagement letter, and Clauses 1.1, 4, 6 and 7 of the Standard Terms and Conditions, are intended to survive such termination or expiration and shall continue to bind all parties.

## **6. Indemnification, Liability Limitation, and Other Matters**

- 6.1 **Indemnification** - The Company agrees to indemnify and hold harmless FTI and any of its subsidiaries and affiliates, officers, directors, principals, shareholders, agents, independent contractors and employees (collectively "Indemnified Persons") from and against any and all claims, liabilities, damages, obligations, costs and expenses (including reasonable and documented attorneys' fees and expenses and costs of investigation) to the extent arising out of or relating to your retention of FTI, the execution and delivery of this Engagement Contract, the provision of Services or other matters to the extent relating to or arising from this Engagement Contract, except to the extent that any such claim, liability, obligation, damage, cost or expense results from the gross negligence, bad faith or willful misconduct of the Indemnified Person or Persons in respect of whom such liability is asserted (an "Adverse Determination").

FTI agrees to indemnify and hold harmless the Company and any of its subsidiaries and affiliates, officers, directors, principals, shareholders, agents, independent contractors and employees from and against any and all claims, liabilities, damages, obligations, costs and expenses (including reasonable and documented attorneys' fees and expenses and costs of investigation) for personal injury or property damage to the extent arising out of or relating to the acts or omissions of FTI or the parties performing the Services on FTI's behalf, except to the extent of an Adverse Determination.

- 6.2 **Insurance** – [Reserved.]

- 6.3 **Limitation of liability** - The Company agrees that no Indemnified Person shall be liable to you, or your successors, affiliates or assigns for damages in excess of the total amount of the fees paid to FTI under this Engagement Contract, except to the extent that the Indemnified Person's liability is the result of gross negligence, bad faith or willful misconduct. Without limiting the generality of the foregoing, in no event shall any Indemnified Person be liable for consequential, indirect or punitive damages, damages for lost profits or opportunities or other like damages or claims of any kind.

## **7. Governing Law, Jurisdiction and WAIVER OF JURY TRIAL**

- 7.1 **Governing Law** The Engagement Contract shall be governed by and interpreted in accordance with the laws of the State of New York, without giving effect to the choice of law provisions thereof.
- 7.2 **Jurisdiction** - [Reserved.]

7.3 **WAIVER OF JURY TRIAL – TO FACILITATE JUDICIAL RESOLUTION AND SAVE TIME AND EXPENSE, THE COMPANY AND FTI IRREVOCABLY AND UNCONDITIONALLY AGREE TO WAIVE A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE SERVICES OR THIS ENGAGEMENT CONTRACT.**

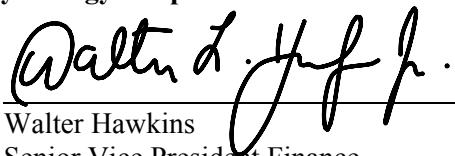
FTI CONSULTING, INC

**Confirmation of Standard Terms and Conditions**

We agree to engage FTI Consulting, Inc. upon the terms set forth in these Standard Terms and Conditions as outlined above.

**Peabody Energy Corporation**

By:

  
\_\_\_\_\_  
Walter Hawkins

Senior Vice President Finance

Date:

**November 6, 2015**